

# Annual Performance Report 2024-25



**Wessex Water**  
YTL GROUP

FOR YOU. FOR LIFE.

2024-25

# Annual Performance Report 2024-25

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*This document is part of Wessex Water’s annual review*

*More information can be found at [wessexwater.co.uk](https://wessexwater.co.uk)*

# Introduction

This is one of the documents we publish as part of our annual review. It reconciles the non-statutory financial accounts with the regulatory accounting statements required by Ofwat. The report also gives detailed information on expenditure, costs and performance, including in relation to our performance commitments.

The other documents we publish are:

1. **Annual review summary:** this explains what we have delivered in relation to our purpose. The report includes the Chairman's foreword and Chief Executive's report, together with a more detailed review of progress against our key outcomes, including our regulatory performance commitments. The report also includes the three principal financial statements for the financial year ended. The Annual review summary is a standalone document but also forms most of the Strategic report section of the Integrated annual report.
2. **Integrated annual report:** this includes the strategic report, governance report and the accounts: our statutory year end is 30 June, which is reflected in our latest annual report and financial statements filed at Companies House. Our annual report and accounts, also known as the non-statutory financial accounts, are prepared for the financial year to 31 March. All these documents are available on our website: Annual review ([wessexwater.co.uk](http://wessexwater.co.uk)). We have prepared this annual performance report in accordance with Ofwat's requirements including the Regulatory Accounting Guidelines (RAGs) and IN 25/02 Expectations for monopoly company annual performance reporting 2024-25. The table below details where we have addressed Ofwat's requirements in separate submissions or publications.

Requirement	Location
Accounting methodology statement	Published on our website
Bioresources market monitoring information	Published on our website
Bioresources market information	Published on our website
Statement on executive pay and performance	Integrated Annual Report
Long-term viability statement	Integrated Annual Report
In-period adjustment model	Separate submission to Ofwat
Table commentary – Sections 1 – 9 and 11	Separate submission to Ofwat
External assurance reports – performance commitments	Separate submission to Ofwat
Letter of reliance and Deed of variation	Separate submission to Ofwat
2025-30 Price control deliverables - delivery plan and associated external assurance report	Separate submission to Ofwat
APR table data & rationale for open data approach	Also published on our website and Stream database

We have not included the following tables in this report due to their size:

- Table 4B
- Table 4L
- Table 4M
- Table 6F
- Table 7B
- Table 7F

## Introduction

We have prepared all tables in accordance with the Regulatory Accounting Guidelines and submitted them to Ofwat. They are published on our website: [Economic Regulation - Ofwat Guidance](#).

We have not completed tables 2G, 2H, 4S, 4T, 4U or the tables in Section 10 as we are not required to complete these tables.

## Open data

Open data continues to be an area of focus, and we have made significant progress to set ourselves up to become a much more open data organisation.

Open data starts with ownership and this flows from having Executive sponsorship and support of our Open data strategy through to ownership and stewardship of the individual data entities and systems.

We have continued to publish our APR data tables in a non-proprietary format on our website, together with previous years, so these can be accessed and reused by all. This includes machine-readable data and metadata, which will make it easier for users to consume it. We have ensured our release of data is consistent with the rest of the industry and publish it to the industry's Stream platform, in addition to our own website.

Clear feedback loops, published alongside the APR tables will allow users to comment on or ask questions about the dataset. Data we have already published that underpins some of our performance commitments incorporates the same feedback mechanism, just like other datasets on the Wessex Water Marketplace (WWM) platform. Comments received will influence the datasets we share in the future and the format in which we share them.

We have ensured an appropriate open data license is prominently incorporated alongside our APR tables that will assist in the free and flexible use and re-use of the data. This aligns with the licensing that is already incorporated into our WWM platform to encourage use of the information hosted there.

Since 2019 we have utilised our WWM to publish challenges and focused datasets with high quality supporting information. Throughout this AMP, we have released greater detail about our reported performance commitments through WWM to support improved trust and transparency in our reporting.

Behind our data publications, our open data maturity is progressing through activities such as widening open data knowledge, continuing to improve our processes and working with more data owners and stewards across the business to expand practical experience with open data, with a key oversight from our executive board.

We continue to play an active role in the Stream collaborative; this mutual exchange of ideas has and will continue to develop our open data capabilities to benefit a wide range of stakeholders. We have continued to deliver new and refreshed datasets to the Stream platform's data portal and our API feed to the National Storm Overflow Hub. In March 2025, we hosted an Open Data Day hackathon in partnership with Stream which engaged with the local academic community.

As part of Stream, we have influenced the vision, quarterly achievement states and objectives and key results (OKRs). We have also contributed to working groups, continued to work collaboratively to develop standardised data structures and descriptions, and support industry colleagues with any issues arising in preparing the data itself.

We have recently revised and published an update to our first Open data strategy and we are pleased that this has the support of the Executive team to help engender the benefits of open data. Our aims over the coming year are to continue the development of open data awareness and literacy within the company so that an open data culture is embedded in Wessex Water at every level.

### Our open data roadmap

As published in our [open data strategy](#), through 2025-26 we have a number of open data activities. These are aligned to four key areas of development, which form our open data commitments. The delivery of the 2024-25 roadmap is also summarised in our latest strategy document's '*We said, we did*' section.

### Engaging and supporting our data community to bring us closer to our customers:

- We will seek opportunities for valuable communications with our data community to learn about their data needs.

## Introduction

- We will adopt and begin embedding FAIROE (Findable, Accessible, Interoperable, Reusable, Open, Ethical) principles to improve data use.
- We will ensure our internal data communities have opportunities to work with and share their findings from open datasets.

### **Strengthening our data processes to ensure a consistent approach:**

- We will continue to improve our data publication guidance and procedures to align with industry best practice for data triage.
- We will adopt the standard approaches for publishing contextual information alongside all our datasets.

### **Leadership and collaboration – treating our data as a valuable asset:**

- We will ensure our open data progress aligns with the Water Sector open data strategy.
- We will contribute to the publication of high-value datasets through Stream.
- We will share our learnings and experience in open data publication with the wider industry.
- We will annually report our progress and next steps to the Executive team.

### **Restoring trust through open data**

- We will fully contribute to Stream including support for other members.
- We will continue to launch Marketplace datasets linked to specific challenges.
- We will fulfil our commitment to annually update all relevant existing open datasets.

**Open data schedule**

<b>Dataset/deliverable</b>	<b>Release pattern</b>	<b>Approximate expected date of delivery</b>	<b>Notes</b>
Submission of 2025-26 open data strategy to executive team	Yearly	April 2025	Complete
<a href="#">Publication of Open Data Strategy 2025-26</a>	Yearly	June 2025	Complete – published on 29/05/2025
Rising mains Marketplace Challenge	One-off	July 2025	Published on Marketplace
Wessex Water Annual Performance Report Data Tables	Yearly	July 2025	Published on Wessex Water website and Stream platform
Wessex Water Sewer Flooding	Yearly	August 2025 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Night Flow Monitoring   Stream - Portal</a>	Yearly	September 2025 <sup>1</sup>	Published on Stream platform
<a href="#">Water quality customer contacts - appearance taste and odour - performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Mains repairs performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Supply interruptions performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Applications for assistance performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Void sites performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Pollution incidents performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Treatment works compliance performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Improving Sites of Special Scientific Interest (SSSI sites) performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Number of children or students engaged performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Sewer collapses performance commitment data</a>	Yearly	September 2025	Published on Marketplace platform
<a href="#">Wessex Water Historical Event Duration Monitoring   Stream - Portal</a>	Monthly	October 2025 <sup>1</sup>	Published on Stream platform – to supersede existing one-off dataset (released in June 2025)
<a href="#">Wessex Water Sewer Catchment Boundaries   Stream - Portal</a>	Yearly	November 2025 <sup>1</sup>	Published on Stream platform

## Introduction

<a href="#">Wessex Water Appointed Water Supply Boundaries   Stream - Portal</a>	Yearly	November 2025 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Appointed Wastewater Boundaries   Stream - Portal</a>	Yearly	November 2025 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Storm Overflow Activity   Stream - Portal</a>	Yearly	December 2025 <sup>1</sup>	Published on Stream platform as near-real time API; this activity will review data documentation
<a href="#">Wessex Water Domestic Consumption   Stream - Portal</a>	Yearly	February 2026 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Reservoir Levels   Stream - Portal</a>	Yearly	March 2026 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Domestic Water Quality   Stream - Portal</a>	Yearly	April 2026 <sup>1</sup>	Published on Stream platform
<a href="#">Wessex Water Environmental Water Quality</a>	Yearly	May 2026 <sup>1</sup>	Published on Stream platform
Marketplace challenge	One-off	March 2026	Topic to be confirmed
Hackathon 2026	One-off	March 2026	Building on the successes of the Open Data Day 2025 hackathon to engage with local data users

<sup>1</sup>Dataset release schedule based on Stream's centralised calendar (agreed in June 2025).

# Risk and compliance statement

## Introduction

The Water Services Regulation Authority (Ofwat) requires the Board to provide an annual Risk and Compliance Statement (the Compliance Statement). The Compliance Statement confirms that the Company has complied with all its relevant statutory, operating licence and regulatory obligations; that it has processes and systems of internal control in place; that it is taking appropriate steps to manage its risks; and that it demonstrates clear leadership, transparency and good governance. The Company is required to report by exception any instances where a regulatory output has not been met and to detail decisions and actions that demonstrate our governance processes.

Our Annual Review, including our annual performance report, details progress on performance commitments, outputs and financial information, including where these have not been met. This information is for our customers, investors and regulators. Our Annual Review is supported by fact but occasional reliance is placed on estimates. These estimates have been made in good faith, based on reasonable assumptions and are clearly stated as an estimate.

## Compliance statement

The Board confirms that it has appropriate and effective assurance processes in place and:

- the Board has a full understanding of its statutory, licence and regulatory obligations
- the Board is meeting its statutory, licence and regulatory obligations in all material respects, but with noted exceptions to regulatory performance commitments outlined in section 3 of this publication. The Company has under-performed in relation to some operational measures including internal sewer flooding, pollutions and leakage
- the Company has met, in all material respects, relevant regulator and customer expectations as demonstrated by those outputs and service standards set out in its business plan and funded through the Final Determination. Where performance commitments have not been met these are outlined in section 3 of this publication
- material issues and circumstances are noted within the ringfencing certificate within the Accounting Disclosures section of this publication
- the Board is satisfied that the Company has sufficient processes and internal systems of planning and control to fully meet its obligations, or has disclosed any modification or failure to meet such obligations
- the Company has appropriate systems and processes in place to allow the Board to identify, manage and review risks. Principal risks and the appropriate management of them are set out in the Strategic Report in our Integrated Annual Report and in the relevant section of the Annual review summary
- the Company follows the Wates principles and meets the requirements outlined in Ofwat's Board Leadership, Transparency and Governance principles
- the Company has sufficient financial and management resources for the 12 months from the date of this report
- the Company has sufficient rights and assets available to enable a special administrator to run the business
- any trade with associate companies was at arm's length and no cross subsidy arose
- Directors' pay is linked to standards of performance as disclosed in the Integrated Annual Report
- any failure to deliver outputs agreed at the Final Determination has been disclosed within our Annual Performance Review



## Risk and compliance statement

- the Company is compliant with its licence condition on credit ratings
- the Company is compliant with its customer-focussed licence condition (Condition G), as outlined in the Customer Care section below
- the Board considered and approved the proposed charges for 2024-25 and the associated assurance statement confirming that the Company had met Ofwat's charging expectations and all regulatory and statutory obligations
- greenhouse gas and carbon reporting complies with Defra, Ofwat and FRC reporting requirements.

## Output review

The Company has 46 performance commitments, of which 44 have targets for 2024-25. In 2024-25, 30 performance commitments met or exceeded targets, with a strong performance on the C-Mex measure and an improving position over a number of performance commitments notably priority services, leakage and per capita consumption. We have not met 14 of our performance commitments, most notably on water supply interruptions, pollutions and sewer flooding. Further detail on our performance commitments is given in the outcomes narrative (section 3).

The Board keeps all outputs and commitments under constant review. Some of the performance commitments in our Final Determination are stretch targets with the potential that the target could not be met in year (or subsequent years). Regular progress reports are prepared for Directors and senior management on progress, and mitigation strategies are in place to manage any risk of slow progress or failing to deliver. The Company engages with its regulators where it is foreseen that an output cannot be met. This includes agreeing a future course of action including potential advancement of other outputs. Performance commitments are externally audited each year by the Company's technical auditor.

The Customer Challenge Group represents our key stakeholder groups. It has met three times this year and is chaired by an independent chairman. The CCG reviews our progress towards our performance commitments each year and formally reports this to our Board. The CCG produced a final report for the Board recommending support for the performance commitment information that is provided in our Annual Review and Annual Performance Report. This is published on the CCG website.

## Customer Care

The Company meets the principles of customer care, outlined in Condition G, by:

### Communicating proactively, particularly during incidents

- Maintaining an accessible core suite of information and guidance including a dedicated web page [here](#) covering all aspects of our services.
- Proactively communicating relevant information through various methods, especially during incidents, including tailored and proactive communications through development of our IT systems. More detail on incident management can be found [here](#).

### Easy to contact

- Offering a variety of channels for customers to contact us, including partnering with SignLive for signers of British Sign Language and improving our online report a problem tool.
- Maintaining a warm voice answer so customers quickly get through to a person in a local call centre empowered to resolve their contact.
- Engaging with customers in person at community drop-in sessions, providing information on various topics.

### Providing support when things go wrong and help to put things right

- Providing a clear no-quibble "Promise" to deliver services of the highest quality with courtesy and consideration supported by rapid response times and enhanced compensation.
- Training employees to "Go the Extra Mile" and how to correspond in a transparent manner to improve the quality of our communication and our customers' experience keeping this training refreshed each year,
- Operating a case management approach for customers worst affected by any service failure.

## Risk and compliance statement

- Having a simple three-stage complaints handling process, managed by a dedicated Complaint Handling Team, and delivering initiatives in our complaints action plan along with implementation of our First Word writing style.
- Providing free repairs for customer side leaks and fast response and free clean-ups following sewer flooding ensuring the customer's property is restored with no financial impact through a combination of their insurance and our compensation.
- Introducing new initiatives such as improved bottled water provision during supply interruptions.
- Consistently leading on the customer service element of C-MeX and recognised by the Consumer Council for Water (CCW) as the best performing water and sewerage company in their household complaint handling report published in September 2024.
- Internal governance and oversight by our senior strategic Customer Experience Group.

## Understanding the needs of customers and providing appropriate support

- Supporting national work on vulnerability and through delivery of the four pillars of our Vulnerability Strategy ("Every Customer Matters").
- Mapping our service initiatives to Ofwat's "Service for All" guidance to ensure compliance.
- Working with the Centre for Sustainable Energy to increase the potential reach of Priority Services.
- Internal governance and oversight by our expert stakeholder Vulnerability Advisory Panel.

## Providing support for customers struggling to pay and in debt

- Supporting customers who need extra help both financially and non-financially through our Tailored Assistance Programme.
- Mapping our service initiatives to Ofwat's Paying Fair guidance to ensure compliance.
- Introduced Care Leavers Assist, new data sharing partnerships and further auto-enrolment onto affordability schemes.

## Learning from past experiences

We engage with our customers, as well as with the wider industry, to continually learn and improve our customer care. This includes:

- Continuously improving through real-time customer feedback and insight; C-MeX surveys; Trust Pilot reviews; customer journey mapping (using different customer segments); customer sentiment analysis; data analysis; voice analysis and artificial intelligence as examples to identify key themes; pain points; and improvements.
- Gathering customers' views on different aspects of our service through our online customer panel "Have your Say" and Image Tracking survey of 2,000 customers per year along with ad-hoc research commissioned by Wessex Water or other organisations.
- Engaging with young people on our future services through our Young Peoples' Panel. Findings from the Panel are reported to our executive leadership team for consideration.
- Sharing good practice and insights working collaboratively with other companies, including hosting visits, to support customer service standards across the utilities industry.
- Engaging external oversight from the Customer Challenge Group to seek the views of our customers and key stakeholder groups, taking an ongoing interest in customer engagement and customer experience. The group provided independent challenge throughout the development and delivery of our business plan for 2020-2025 and for the development of our plan for 2025-2030 (AMP8).

Specific examples of learning implemented in the last year include:

- Creating a new programme of customer journey mapping workshops, considering key areas of focus within the customer licence condition.
- Updating our customer survey dashboards to show more detail from tailored complaint surveys.
- Partnering with the IE Hub (a digital income and expenditure tool) to offer debt advice referrals through Money Wellness and enhance the digital customer journey.
- Working with organisations including the Centre for Sustainable Energy, the Pennon Group, and Kidney Care UK to promote and enhance awareness of social tariffs and Priority Services enrolment.

Additionally we are:

- Working to a range of customer quality standards such as the Customer Service Excellence Award, and the British Standard for Inclusive Service Provision.

## Risk and compliance statement

- Supporting national work on vulnerability and best practice customer services as members of national forums such as ESAN (the Essential Services Access Network); the Rural Services Partnership; Rural England; Disability Rights UK; the Institute of Customer Service; and the Collaboration Network.
- An active member of the Institute of Customer Service, attending webinars, events and hosting meetings.

Further detail on our compliance can be found on our website [here](#).

We have provided a full compliance statement against Ofwat's "Paying Fair" guidance published on Ofwat's website. We have provided a full compliance statement with Service for All as an appendix to our vulnerability strategy. More recently we completed Ofwat's information request for compliance with Condition G in relation to sewer flooding.

## Risk review

Effective management of risk is central to how we can deliver effective and efficient services to our customers and minimise the impact we have on the environment. It is critical that we have a robust risk management framework in which material risks to the business are proactively identified, evaluated, communicated and the appropriate response defined and implemented. The Company's processes are flexible to respond to changes in risk and ensure that the necessary controls and mitigation measures are put in place. Risks are defined as any event that can impede our ability to achieve our objectives. The most significant risks facing us are referred to as 'principal risks'. The Audit and Risk Committee approves the annual audit plan that includes audits around the principal risks.

## Risk process

Risk is identified and managed through a tiered system of groups drawn from operational staff, senior management, executive directors and the Board. The Board reviews, and is ultimately responsible for risk and setting the risk appetite and tolerance. Risks have been identified, evaluated and managed in line with our processes throughout the year and up to the approval of the Integrated Annual Report. Full details of our risk management are available in our Integrated Annual Report.

Operational staff and senior management review, assess and record asset and operational risks monthly. Risks are scored by assessing probability and impact on a 'five-by-five' scoring mechanism. Risk mitigation plans are recorded and implemented where appropriate and pre-and post-mitigation scores are monitored.

Any identified risk acts as a foundation for the separate corporate risk register. The Corporate Risk Management Group maintains and reviews all business risks; the corporate risk register includes strategic, compliance, operational and financial risks, specifically including health and safety and climate change related risks. The Corporate Risk Management Group comprises senior managers from across the business. The risks are assessed by subject matter experts and subject to independent challenge from our risk experts. We assess risks based on a range of criteria including their financial, social, and environmental impacts. Risks above our tolerance levels will have additional measures to manage and mitigate the risk exposure.

The Board reviews risk and undertakes an in-depth review every six months. This sets out the risk review process and identifies current and emergent principal risks to the business and the relevant mitigation measures.

## Assurance and Board endorsement of the Risk and Compliance Statement

The Company has a clear focus on its performance reporting and verification procedures. The Risk and Compliance Statement is assured by:

- a clear governance process over output and performance commitments
- data collation and reporting processes that are externally audited and verified

## Risk and compliance statement

- an annual process of self-certification confirming compliance to our internal controls
- a programme of internal audits
- governance and scrutiny over the risk management framework
- validation of information being provided to customers and feedback and improvement processes
- Audit and Risk Committee and Board approval of the methodology and content of the Compliance Statement. The Board confirms it is satisfied it has the appropriate assurance processes in place and based on these processes endorses this compliance statement and states that, to the best of its knowledge and belief, the information produced is accurate, reliable and complete in all material respects.



Francis Yeoh

**Chairman**



Ruth Jefferson

**Chief Executive**



Jim McKenna

**Deputy Chair**



Kate Mingay

**Chair of Audit and Risk  
Committee**

08 July 2025

# Regulatory accounts introduction

The Company was appointed by the Secretary of State for the Environment as a water and sewerage undertaker under the Water Act 1989 and is required to comply with the Conditions set out in the Instrument of Appointment (the Licence) issued thereunder.

Under the conditions of its Licence, the Company is obliged to provide the Water Services Regulation Authority (WSRA) with additional information to that contained in the non-statutory financial statements, in order to comply with Licence Condition F. This information is presented on pages 15 to 146.

The differences between the treatment of items in the non-statutory financial statements and these regulatory accounting statements are shown in the disclosure, 'Differences between non-statutory and RAG definitions' on pages 23 to 25.

## Transactions with associates

In the opinion of the Directors, the Company has complied with the objectives and principles of RAG 5.07, in that transactions with associated companies are at arms-length and that cross subsidy is not occurring.

## Accounting methodology statement

We have published the accounting methodology statement for the year to March 2025 on our website [here](#).

## Directors

The Directors are listed in the **Integrated Annual Report**.

## Statement of Directors' responsibilities

Further to the requirements of company law, the Directors are required to prepare accounting statements that comply with the requirements of Condition F of the Instrument of Appointment of the Company as a water and sewerage undertaker under the Water Industry Act 1991 and Regulatory Accounting Guidelines issued by Ofwat. This requires the Directors to:

- confirm that, in their opinion, the Company has sufficient financial resources and facilities, non-financial resources and methods of planning and internal control for the next 12 months
- confirm that, in their opinion, the Company has sufficient rights and assets to enable a special administrator to manage the affairs, business and property of the Company
- confirm that, in their opinion, the Company has contracts with any associate company with the necessary provisions and requirements concerning the standard of service to be supplied to ensure compliance with the Company's obligations as a water and sewerage undertaker
- report to Ofwat changes in the Company's activities, which may be material in relation to the Company's ability to finance its regulated activities
- undertake transactions entered into by the appointed business, with or for the benefit of associated companies or other businesses or activities of the appointed business, at arm's length, and
- keep proper accounting records, which comply with Condition F and RAG 5.07.

These responsibilities are additional to those already set out in the **Integrated Annual Report**.

## Directorships

The following Directors of the Company are also Directors of the following parent companies in the Group: David Barclay is a Director of Wessex Water Ltd. Francis Yeoh, Hong Yeoh and Mark Yeoh are Directors of Wessex Water Ltd, YTL Utilities (UK) Ltd, YTL Utilities Ltd, YTL Power International Berhad and YTL Corporation Berhad. Hong Yeoh and Hann Yeoh are Directors of YTL Utilities Holdings Ltd.

# Accounting disclosures

## Statement on executive pay and performance

Details of Directors' remuneration is fully disclosed in the Remuneration Committee report in the Integrated Annual Report. This includes disclosure of the link between pay and performance. To avoid duplication this information has not been replicated in the Annual Performance Report.

## Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of the Annual Performance Report confirm that, so far as they are each aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that ought to have been taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## Statement on dividend policy for the appointed business

The dividend policy is to declare dividends consistent with the Company's performance and prudent management of the economic risk of the business.

Dividend payments are reviewed and approved on a quarterly basis by the Board after considering both current and projected business performance. Whenever a dividend is considered by the Board, a paper is prepared by the Finance Directorate which sets out the purpose of the dividend and how it complies with the dividend policy.

In particular, the Board takes into account:

- the Company's current and projected performance in delivering the level of service customers expect from an efficient water and sewerage company and that where that level of service has not been delivered, that customers have been adequately compensated
- that the Company is delivering the required quality and environmental outputs and making sufficient investment in its infrastructure to maintain and, where necessary, increase resilience
- that the correct amount of tax has been paid
- that the Company has met any unexpected additional expenditure needs that may have arisen during the year to date, as new operational risks emerge
- the level of regulatory gearing and its comparison with Ofwat's expectations pertaining at the time
- the sufficiency of distributable reserves.

The Company will maintain a solid investment grade credit rating at all times.

### *Governance of Dividend Decisions*

The company has a clearly defined governance process for determining dividends, which ensures that decisions are made in a transparent, accountable, and compliant manner. The process includes:

- Board oversight: Dividend proposals are reviewed and approved by the full Board.
- Assessment framework: The Board considers a set of criteria, including financial resilience, operational performance, customer outcomes, and regulatory compliance.

This governance framework ensures that dividend decisions are made in the long-term interests of customers, investors, and other stakeholders. Further detail on the governance structure is available in the Governance section of the Annual Report.

### *Financial Year 2025 dividends*

The Board take seriously their commitments and obligations to customers and other stakeholders (including the environment, communities, employees and pension members) as a supplier of essential services. They also recognise the need to continue to improve performance and the long-term nature of the plan to deliver this objective.

In determining dividend levels, the Board undertook a comprehensive review of the company's performance and financial position. This included:

- Operational performance: Assessment against performance commitments (PCs), including customer service, environmental outcomes, and asset health and the associated incentive based rewards and penalties.
- Financial performance: Review of key financial metrics such as gearing, interest cover, and return on regulatory equity (RoRE).
- Customer outcomes: Consideration of customer satisfaction scores and delivery of service improvements.
- Risk and resilience: Evaluation of emerging risks and the company's ability to maintain service and financial resilience.
- Ongoing claims and litigations, specifically in relation to the ongoing EA and Ofwat investigations into environmental performance where the company remains actively engaged with these regulators to resolve any remaining issues

While the company met several key targets, areas of underperformance—particularly in pollution incidents—were also noted. The Board considered management's response to these issues, including investment in improvement programmes and customer support initiatives.

A detailed breakdown of performance against commitments is available in Section 3 of this APR, and financial metrics are discussed in the Strategic Report section of the Annual Report.

During the year, the Board approved the declaration of £66.5m in dividends (last year - £66.5m) to its immediate parent company. This represents a dividend yield of 5.0% on the Company's regulatory equity (2023-24: 5.0%).

The Board has determined a base dividend yield with reference to Ofwat's guidance, ensuring alignment with regulatory expectations. In setting the base yield, the Board considers the role of equity in funding real growth in the Regulatory Capital Value (RCV). This approach ensures that dividends reflect a sustainable return on equity investment, while maintaining the financial resilience of the company. This methodology is consistent with the principles outlined in Ofwat's guidance on dividend policy and is designed to support long-term investment in the network. Further detail on the company's capital structure is provided in the Governance section of the Annual Report.

Dividend payments in excess of the base dividend yield are to be reflective of current or past outperformance versus the final determination. This outperformance can arise for several reasons, such as cost savings, strong ODI performance, outperformance of financing assumptions or a combination of these. The Board considers outperformance and whether it should be reflected in dividend payments on a cumulative basis over the AMP.

Highlights for 2025 included being one of the highest ranked water and sewerage company for Ofwat's customer measure of experience (C-Mex), potential best in industry performance under the DWI's Compliance Risk Index (CRI) measure, one of the only companies to have no serious pollutions in the year, the launch of 'Riverhub' a central dashboard for monitoring river health with the help of local volunteers, and the pension scheme remaining in a surplus position. We also recognise a significant proportion of our outperformance came from financing in both 2024-25 (5.2%) and 2023-24 (7.6%), for which additional detail can be seen on page 29. This is all whilst increasing asset investment in the year by £0.1bn to its highest level since privatisation.



	<b>FY2025</b>	<b>AMP7</b>
Base yield	3.0%	3.0%
Financing	5.3%	6.2%
Totex	-6.3%	-3.7%
Retail	-0.2%	-0.6%
ODI (inc C-Mex & D-Mex)	-2.7%	-0.4%
Other exceptional items	0.0%	0.0%
<b>Outperformance yield</b>	<b>-0.9%</b>	<b>4.6%</b>
<b>Actual yield</b>	<b>5.0%</b>	<b>5.4%</b>

Whilst the actual equity yield over AMP7 exceeds the benchmark outperformance yield, this differential is attributable entirely to adverse performance in the final year—specifically, a material totex (total expenditure) overspend and a significant penalty under the pollution Outcome Delivery Incentive (ODI) mechanism. These factors have artificially deflated the yield, rather than reflecting genuine operational or financial outperformance. In contrast, the Board has adopted a prudent, long-term capital allocation strategy for AMP8, committing to a full dividend reinvestment policy. This approach prioritises financial resilience and reinvestment in core infrastructure. Consequently, the projected actual equity yield is expected to fall below the notional outperformance yield from Year 1 of AMP8, aligning with long-term value creation and regulatory expectations around sustainable returns.

Further detail relating to the calculation of yields and returns is set out in Table 1F.

	<b>FY2025 £m</b>	<b>AMP7 £m</b>
Base return	40.6	203.5
Outperformance	-41.4	95.1
Adjust to current year prices	-0.2	48.7
<b>In year/AMP performance nominal</b>	<b>-1.0</b>	<b>347.3</b>
RCV growth from inflation <sup>1</sup>	35.7	299.6
<b>In year/AMP return available for distribution</b>	<b>34.7</b>	<b>646.9</b>
Undistributed return brought forward	446.8	-
Adjust to current year prices	107.5	192.6
Dividend declared	-66.5	-317.1
<b>Undistributed return carried forward<sup>2</sup></b>	<b>522.5</b>	<b>522.5</b>

<sup>1</sup> Adjustment to RCV for impact of inflation (CPIH).

<sup>2</sup> Undistributed returns available for future distribution

#### *Licence Condition and Compliance Statement*

Wessex Water's dividend policy is subject to the requirements of the dividend policy condition in its licence. This condition requires that dividends must not impair the company's ability to finance its regulated activities and must be consistent with the maintenance of a financially resilient business.

The company's dividend policy acknowledges this licence condition and incorporates it into the Board's decision-making framework. The Board confirms that, in its view, the company's dividend policy and the dividends declared during the reporting year are fully compliant with the requirements of the licence condition.

This compliance statement is reviewed annually and is supported by financial modelling and stress testing to ensure that dividend payments do not compromise the company's financial resilience or its ability to meet obligations to customers and regulators.

## Accounting policy note for price control units

Cost allocations have been prepared in accordance with RAG 2.09 and RAG 4.13 for the definitions for the regulatory accounting tables. All costs are recorded in the accounting records by cost centre. Cost centres are defined either as a direct department, comprising operational and customer functions, or a support department. Direct departments are mostly directly allocated to service activities based on the nature of the function, although some costs require apportionment on an appropriate basis. Support departments are apportioned across the price controls either based upon a specific analysis of the costs or by apportionment by an appropriate cost driver. Once allocated to the appropriate price control the costs are then allocated to service activities using an appropriate method.

Fixed assets directly involved in the activities within each business unit are recorded against that business unit using direct allocation per the location or asset type. Where an asset is utilised in more than one business unit, the asset is allocated to the business unit of principal use and costs are recharged to other different business units on the same basis used to allocate operating expenditure.

Further detail is provided in the accounting separation methodology statement published on our website [here](#).

## Revenue recognition

Turnover represents income receivable in the ordinary course of business, excluding VAT, for services provided. Turnover from contracts with customers is recognised when control of these goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

In accordance with RAG 3.15, there is one difference in turnover recognition between the statutory and regulatory accounts. This relates to the adoption of IFRS15 whereby turnover has been de-recognised where the occupier has consistently not settled their account for a period of four years or more. There are no further adjustments between amounts billed (as adjusted by opening and closing accruals) and amounts recorded as turnover.

Income related to water and sewerage services is receivable from occupiers of the premises to which services are supplied except where a third party has agreed liability for the charges. Where premises are unoccupied or where no services are supplied, charges are not raised, income is not receivable, and no turnover is recognised. Premises that are furnished are considered to be occupied except in exceptional circumstances such as death or long-term hospitalisation of the customer. We consider premises undergoing refurbishment or being used for storage to be occupied by the owners of the premises.

If details of the occupier of the premises are unknown, the premises are considered to be unoccupied, no charges are raised, and no turnover is recognised except where a third party has agreed liability for the charges. We do not bill properties speculatively in the name of the occupier. We have processes that seek to determine whether properties are occupied that include, but are not limited to, written correspondence, data matching and visits.

Charges that do not represent income receivable in the ordinary course of business are not recognised as turnover. This includes charges for the recovery of costs related to court action to recover charges overdue. The principles laid out above apply to both new and existing premises.

## Capitalisation policy

Our capitalisation policy is unchanged from previous years. The capitalisation policy document is owned and published internally by the Group Financial Controller and forms part of our governance process and procedures. The policy is applied consistently between the statutory and regulatory accounts, in accordance with IAS16 Property, Plant and Equipment and IAS38 Intangible Assets. It includes a significant level of detail and includes the following principles.

Assets are taken to be fixed assets if they are intended for use on a continuing basis over at least three years (or two years in the case of internal software developments). Any assets not intended for such use are to be charged to the Income Statement.

Capital expenditure shall be determined as follows:

- the price paid for the asset together with any cost's incidental to the acquisition, e.g., identification of options and appraisal costs. This may include site preparation, which could encompass demolition work
- the cost of raw materials, consumables, salaries and wages (together with other costs) directly attributable to the creation of that asset
- in addition, the cost of an asset may include a reasonable proportion of costs indirectly attributable to the creation of the asset
- interest paid, for example, on contractors' claims or delayed payment of certificates, may be capitalised.

## Bad debt policy

### *Expected credit loss policy*

There have been no changes in expected credit loss policy. The value of debt written off in the year was £12.4m compared with £12.6m in the previous year.

Debt is written off for one of four reasons:

- it is considered or known to be uncollectible
- it is considered uneconomic to collect
- older debt is written off by agreement with the customer in return for the receipt of monthly payments to pay off current year debt as part of our 'Restart' and 'Restart Plus' policies
- write off is ordered by the County Court. In these cases, the court may set payment at a proportion of the outstanding debt. When this level of payment is reached the court will instruct that the rest is to be written off.

### *Expected credit loss provision policy*

The expected credit loss provision for tariff income at 31 March 2025 was £45.6m compared with £45.4m the previous year-end.

Under IFRS9, expected credit loss provision is forward looking. To estimate expected credit loss various categories are selected, such as direct debit, instalments and standing orders and other. Long-term historical collectability profile is used to assess an appropriate level of provision based on these factors and any expected general economic effects.

### *Trade debtor balance*

There has been an increase in the trade debtor balance from the prior year. The trade debtor at 31 March 2025 was £103.4m, compared with £94.7m the previous year. This is in line with expectations and primarily represents the increase in tariff bills effective 1 April 2024.

## Ring-fencing certificate

Licence condition P (ring-fencing) requires the Company, at all times, to ensure that if a special administrator were appointed to manage the regulated activities, that administrator would have sufficient rights and assets (other than financial resources) to enable the administrator to manage the affairs, business and property of the Company. The Company is required to confirm on an annual basis that it is in compliance with these conditions and, in a certificate of adequacy, make suitable sufficiency statements to that effect.

The Company should also include a statement of the main factors that the Board has taken into account when approving the certificate of adequacy. The certificate should also be accompanied by a report prepared by the Company's auditors stating whether they are aware of any inconsistencies between the certificate and either the regulatory accounting statements or any information which they have obtained in the course of their work and, if so, what they are. The Company's auditors, Ernst & Young, have conducted their audit and prepared a separate report as required by paragraph P37, which confirms

that no inconsistencies were identified between the ring-fencing certificate and either the regulatory accounting statements or any information which the Auditors obtained in the course of their work as the Company's Auditors. The overall Auditor's report can be found on pages 142 to 146 of this report. An auditor assurance statement specific to this ring-fencing certificate has been separately submitted to Ofwat.

In accordance with the requirements, this is to certify that on 08 July 2025, the Board of Wessex Water Services Limited unanimously resolved that, in their opinion, for at least the next 12 months:

(a) The Appointee will have available to it sufficient:

- a. financial resources and facilities to enable it to carry out the Regulated Activities (including the investment programme necessary to fulfil the Appointee's obligations under the Appointment); and
- b. management resources and systems of planning and internal control enabling it to carry out its functions under the Appointment.

(b) All contracts entered into with any Associated Company include all necessary provisions and requirements concerning the standard of service to be supplied to the Appointee, to ensure that it is able to carry out the Regulated Activities.

The Board has considered a wide range of factors to satisfy themselves that the evidence detailed here is sufficient for them to draw the conclusions they have. This includes the Auditors' statement regarding the Company's accounts, going concern statement, long-term viability statement, risk and compliance statement, and the inputs and assurance processes associated with each. Each of these has been considered in detail by the Audit and Risk Committee, with the appropriate challenge to directors and senior managers, before being recommended to the Board for approval.

The main factors the Board has taken into account, in compliance with the requirements are:

(a) **Financial resources and facilities** and in particular consideration of:

- a. the Company's detailed budget for the year to March 2026;
- b. the Company's long-term viability statement to March 2035;
- c. the Company's credit arrangements including its existing borrowing facilities, which include significant bank facilities of £300m;
- d. the Company's available cash resources and financing strategy including re-financing European Investment Bank loans maturing in May 2025 and KfW IPEX-Bank facility maturing in January 2026;
- e. the Company's investment grade ratings and compliance with financial covenants; and
- f. the Company's dividend policy that does not impair the Company's ability to finance the Company.

(b) **Management resources** and in particular consideration of:

- a. the management skills, experience and relevant qualifications of key directors and managers, including succession planning for key management and staff;
- b. the Company's recruitment and reward processes and staff engagement including the results and learning from the Company's staff-wide survey;
- c. the quality of management and staff induction, including training and development;
- d. the work of the Company's diversity and inclusion working group and Environment and Public Value Committee;
- e. Board reports, including the regular business performance updates; and
- f. the independence and functionality of the Board and its committees.

(c) **Systems of planning and internal control** and in particular consideration of:

- a. the governance framework, delegated authority processes and procedures;
- b. the risk management framework as detailed in the Integrated Annual Report and associated reporting mechanisms;

- c. the internal and external audit policies, processes, activities, and reports;
- d. the systems for maintaining supply, security, incident management and business continuity, including relevant action plans;
- e. the restated business ethics and raising a concern policy;
- f. supply chain reviews for compliance with the Public Procurement Regulations 2023, Modern Slavery Act, Economic Crime and Corporate Transparency Act and Bribery Act;
- g. risk, compliance and other assurance statements;
- h. performance against performance commitments as reported in the annual performance summary;
- i. the systems for information assurance and information quality; and
- j. the Company's ability to meet its legal obligations. The ongoing investigations by the HSE, Ofwat and the Environment Agency are provided under material issues and circumstances below.

**(d) Rights and resources other than financial resources** and in particular consideration of:

- a. the Company's social purpose and BEST values;
- b. the resources available from the Company's in-house engineering teams who deliver the capital programme in partnership with external and associated contractors;
- c. technology and other systems for ensuring appropriate information security and access control, reconciliation, other checks, and verifications such as within the Company's Jaggaer procurement system or the updated regulatory assurance manual;
- d. policies to encourage an integrated approach and 'systems thinking' including the Wessex Water Marketplace, business continuity, and resilience action plans; and
- e. planning and asset maintenance systems.

**(e) Contracting and in particular consideration of:**

- a. the legal ownership of the Company's assets;
- b. the status of key contracts in place;
- c. the billing and revenue collecting capability of the Company's Associated Company, Bristol Wessex Billing Services Limited, which provides such services under contract;
- d. transactions between the Company and any Associated Company including the Company's annual RAG5 report;
- e. compliance with licence provisions on cross-subsidies between the Company and any Associated Company; and
- f. compliance with licence provisions on guarantees and cross-default obligations requiring Ofwat's written consent.

**(f) Material issues or circumstances** and in particular consideration of:

- a. the Company's continued co-operation with the ongoing investigations into (a) the December 2020 incident at Avonmouth and (b) flow to full treatment compliance at waste water treatment works.
- b. uncertainty around the definition of the final PR24 business plan in light of the current reference to the CMA for re-determination (expected for resolution in late 2025).
- c. The Board reviews the principal risks throughout the year, the details of our principal risks are outlined in our Integrated Annual Report. Our risk management framework has an agreed risk appetite and tolerance. This process reviews existing and emergent risks. Two areas of material note are climate volatility and cyber threat.
  - The changing climate and extreme weather events despite being unpredictable are more frequent. This impacts our operational delivery and ability to meet regulatory outcomes. The Company's outcome-based approach to regulation will provide more focused oversight of operational delivery with more short term flexibility to deliver long term outcomes

- Geo-political tensions have increased the threat to physical security of UK and European national infrastructure; cyber threats continue to increase in both volume and complexity. The Company has successfully achieved the DWI's 2025 sector specific profile in accordance with the UK Network & Information Systems (NIS) Regulations. The Company continues to improve its 24/7 cyber-security monitoring and security risk management of its corporate and operational estate, and is commencing a programme of further security improvements for AMP8, to meet its regulatory obligations for Ofwat and the DWI. The Company is expected to face additional regulatory requirements to improve physical and cyber-security for Wastewater sites and systems during AMP8.

## Tax strategy for appointed business

Wessex Water Services Limited is one of the leading water and sewerage companies in England and Wales. The Company ensures that all its activities meet the highest legal and ethical standards.

### *Attitude towards UK tax planning*

The Company's approach to tax is fully aligned with the Company's overall objectives. The Company seeks to comply with the spirit and letter of UK tax legislation and claims all tax reliefs and allowances to which it is entitled. The Company will consider reasonable tax planning opportunities which are in line with its risk appetite. As a general rule, the Company does not enter into complicated structures nor engage in any aggressive or artificial tax planning, as it does not believe it is the correct thing to do.

Due to the size and complexity of the UK tax system, tax is a complicated area and uncertainties will arise. Consistent with other business areas, the Company will seek external advice when required.

### *Approach to risk management and governance arrangements in relation to UK tax*

The Board is ultimately responsible for the tax strategy and engages with relevant individuals within the Company to ensure the tax strategy is implemented and monitored. The Board reviews and approves all significant decisions relating to tax and is regularly updated regarding any significant matters relating to tax.

As a UK regulated business with a significant capital programme, the Company considers obtaining tax relief on capital expenditure as a key factor affecting its tax liability. Other factors, such as changes in tax legislation or changes in interpretations, may also affect the amount of tax due, compared with what has been allowed as part of the regulatory final determination.

### *The level of risk in relation to UK tax the company is prepared to accept*

As documented in the Company's finance policy, the Company adopts a risk averse and cautious approach to tax. In addition, tax is included as part of the Company's risk assessment framework. The overall risk framework is monitored by the Company with regular updates provided to the Board.

### *Approach towards its dealing with HMRC*

The Company has an open, regular and professional dialogue with HMRC. As part of its Business Risk Reviews, HMRC have always regarded the Company as being low risk. The Company is committed to maintaining this low-risk status in the long term. The Company believes that its approach to tax and early engagement with HMRC on any area of uncertainty are significant factors in maintaining this low-risk rating. The Company will also engage with HMRC on industry-wide matters through its membership of Water UK.

This tax strategy is provided in compliance with the requirements of paragraphs 16(2) and 19(2), Schedule 19 Finance Act 2016.

### *The Company's tax contribution*

The corporation tax credit on profits arising in the year was £0.1m which primarily relates to prior year matters. The company has not paid any corporation tax on the current year profits during the current year.

The Company is however liable to several other taxes which represent a cost to the business. These taxes include employer's National Insurance contributions of £15m, business rates of £25.0m, environmental permitting of £9.8m, energy levies and other taxes of £5.8m and fuel duty of £2.5m.

## Differences between non-statutory and RAG definitions

The differences between the non-statutory accounts and the regulatory accounting statements are detailed below.

**Table 1A – Income Statement**

### Explanation of differences between Statutory and Regulatory accounts

Positive numbers represent increased profit in the Regulatory Accounts	£m
<b>Revenue</b>	
Revenue to be re-classified as Other Income in the Regulatory Accounts	(5.388)
Biosolids treated as negative expenditure	(0.612)
Non-payers excluded from Revenue in accordance with IFRS 15	0.299
Rental income from appointed assets included with Other Income	(0.357)
	<b>(6.058)</b>
<b>Operating costs</b>	
Depreciation of previously capitalised customer leakage repairs are excluded in the Regulatory Accounts and are capitalised in the Non-Statutory Accounts	0.375
Biosolids treated as negative expenditure	0.612
Innovation fund payments	1.822
Bad-debt provision on revenue treated as non-payers under IFRS 15 excluded from operating costs	(0.303)
Capitalised interest on completed assets is depreciated in the Non-Statutory Accounts. In the Regulatory Accounts capitalisation of interest is not allowed	0.988
Other operating income shown separately in the Regulatory accounts	18.515
Depreciation arising on conversion to IFRS on the revaluation of infrastructure assets has been dis-applied in the Regulatory Accounts	4.885
	<b>26.894</b>
<b>Other operating income</b>	
Other operating income shown separately in the Regulatory Accounts	(21.603)
	<b>(21.603)</b>
<b>Other income</b>	
Revenue to be re-classified as Other Income in the Regulatory Accounts	5.388
Innovation fund payments	(1.822)
Rental income from appointed assets included with Other Income	0.357
Other income shown separately in the Regulatory accounts	3.088
	<b>7.011</b>
<b>Interest expense</b>	
Capitalisation of interest: excluded from Regulatory accounts	(21.541)
	<b>(21.541)</b>

<b>Taxation</b>  Deferred tax at 25% on the net adjustments described above	3.824
	<b>3.824</b>
<b>Total differences</b>	<b>(11.473)</b>



**Table 1C – Statement of Financial Position****Explanation of differences between Statutory and Regulatory accounts**

<b>Fixed assets</b>	£m
Infrastructure asset revaluation on adoption of IFRS accounting, after depreciation. This amount is excluded from the Regulatory accounts	(629.321)
Customer pipe repairs, after depreciation, are excluded from the Regulatory accounts	(33.342)
Interest capitalised on asset construction, after depreciation on completed assets. This amount is excluded from the Regulatory accounts	(60.515)
	<b>(723.178)</b>
<b>Intangible assets</b>	
Interest capitalised on asset development, after depreciation on completed assets. This amount is excluded from the Regulatory accounts	(1.962)
	<b>(1.962)</b>
<b>Trade and other receivables</b>	
Non-payers' adjustment which is excluded from the Regulatory accounts	0.902
	<b>0.902</b>
<b>Trade and other payables</b>	
To be shown under Capex Creditor	41.689
	<b>41.689</b>
<b>Capex creditor</b>	
From Trade and other payables	(41.689)
	<b>(41.689)</b>
<b>Deferred income – G&amp;Cs</b>	
Deferred income on adopted assets to be shown separately	119.191
	<b>119.191</b>
<b>Deferred income – adopted assets</b>	
Deferred income on adopted assets to be shown separately	(119.191)
	<b>(119.191)</b>
<b>Deferred tax</b>	
Deferred tax at 25% on fixed asset and other differences described above	181.139
	<b>181.139</b>
<b>Total differences</b>	<b>(543.099)</b>

## Long-term viability statement

The Directors have made a long-term viability statement in the Integrated Annual Report, pages 111-117, which covers the period to 31 March 2035. To avoid duplication this information has not been fully replicated in the Annual Performance Report.

The Company undertook analysis to 31 March 2035 by reference to several scenarios developed from the company Corporate Risk Register, company financial projections and the impact of the regulatory regime. The Company's analysis included scenarios incorporating the published Principal Risks. It also considered the impact of low probability and high impact events as well as the impact of adverse scenarios occurring concurrently.

Following these assessments and subject to the appropriate performance of Ofwat's statutory duties, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due up to 31 March 2035.

## Infrastructure charges

This year we recovered £3.4m in infrastructure charges compared to expenditure on offsite reinforcement of £8.8m (supply and waste, 2023-24 £4.5m). This is an in-year under recovery of £5.4m, which, combined with the brought-forward under recovery of £9.8m, results in a cumulative under recovery of £15.3m.

This is primarily due to ongoing under-recovery of wastewater reinforcement costs, for which cumulative under-recovery to date is £18.9m. This is driven by four main factors:

- Over 2020-2023 we made significant investment in our North Bristol catchment (Trym Tunnel & Frome Valley Relief Sewer). These costs have been fully incurred, but we had planned to smooth this impact on customers' charges, therefore these costs were never fully recovered.
- We have seen specific costly requirements in Weston-Super-Mare to enable development.
- We continue to see increased uptake in our lower tier of infrastructure charge. Over the longer term, this will reduce the amount of surface water in our foul system and decrease the long-run costs of upgrading the network. However, in the short-term we still need to invest in existing planned schemes.
- We have seen a reducing number of wastewater connections in recent years.

To this end, we have further increased wastewater infrastructure charges for 2025-26. We have retained the lower tier charge to continue to incentivise surface water separation and provide cost effective ways for customers to connect to our network.

On water supply, infrastructure charges revenue remains close to expenditure. In the year we over recovered by £0.4m, resulting in an over recovery to date of £3.6m. This is due to a backdrop of reducing leakage and more water efficient new homes resulting in supply connections not requiring as much additional network reinforcement. We do not expect this to continue indefinitely and can see multiple investment needs arising over the coming years, as set out in our 2025-30 business plan.

We expect some variance between network reinforcement costs and infrastructure charges receipts year-on-year, as we have set infrastructure charges on a glide path towards a sustainable long-term level. To date, in accordance with the charging rules, we have been setting infrastructure charges exclusively on a forward-looking basis. From the 2025-26 charging year we will be setting them taking account of both historical recovery and forecast expenditure over the whole of AMP8, so we expect to converge on the appropriate recovery rate.

Furthermore, where we need to invest, we will be investing not only to enable immediate development, but also to enable future planned development. This investment will continue to deliver benefits over the coming years. Therefore, we do not think that an in-year view of this information is the most informative time period over which to make a comparison.

# Transactions with associates and the non-appointed business

## Transactions to be disclosed

Services provided by appointee to associated companies:

Associate company	Service provided	Turnover of associate £m	Terms of supply	FY2025 £m
Wessex Water Enterprises Ltd	Transport, accommodation, insurance, laboratory, central services (no individual transaction more than 0.5% of turnover)	33.1	Actual costs plus overhead allocation	3.647
Wessex Water Enterprises Ltd	Treatment of imported organic waste	33.1	Commercial terms	4.109
Wessex Water Enterprises Ltd	Sale of biogas	33.1	Commercial terms	3.134
GENeco Ltd	Access to sludge digestion process, legal services and insurance	0.5	Commercial terms	0.634
Bristol Wessex Billing Services Ltd	Information systems, transport, insurance, staff costs	19.7	Actual costs plus overhead allocation	1.437
Wessex Water Ltd	Corporate charges	33.0	Cost allocated by time allocation	0.841
Gainsborough Hotel (Bath) Ltd	HR services and laboratory sampling.	9.2	Actual costs/market rental	0.229
Turnbull Infrastructure & Utilities Ltd	Project management and engineering support	29.5	Cost allocated by time allocation	1.029
Water 2 Business Ltd	Legal, insurance, transport, and information systems services	292.8	Actual costs plus overhead allocation	0.567
Water 2 Business Ltd	Wholesale water and sewerage for non-household market	292.8	Regulated tariff	77.772
YTL Developments (UK) Ltd	Project management, environmental investigations, management and engineering and backoffice support	12.1	Actual costs	1.065

Services provided to appointee by associated companies:

Associate company	Service provided	Turnover of associate £m	Terms of supply	FY2025 £m
Bristol Wessex Billing Services Ltd	Billing services	19.7	Benchmarked	13.853
Bristol Wessex Billing Services Ltd	Project support	19.7	Actual costs	0.715
Wessex Water Enterprises Ltd	Supply of electricity	33.0	Other market testing	3.277
Wessex Water Enterprises Ltd	Supply of heat	33.0	Other market testing	0.589
Wessex Water Enterprises Ltd	Project management and other staffing costs	33.0	Other market testing	1.396
Wessex Water Ltd	Directors' services	33.0	Actual costs	0.384
Xchanging Malaysia Sdn Bhd	IT services	MYR~800m	Competitive letting and market testing	0.438
YTL Communications Sdn Bhd	IT services	MYR~40m	Competitive letting and market testing	0.265
YTL Construction (UK) Limited	Centralised procurement and contract services	N/A	Actual costs	0.351
YTL Infrastructure (UK) Limited	Engineering and Construction services	N/A	Actual costs	93.889
YTL Plant and Fleet Solutions (UK) Limited	Plant and vehicle hire services	N/A	Actual costs	0.479

### Financial transactions

Dividends declared by the appointee to Wessex Water Ltd are disclosed in note 12 to the Integrated Annual Report.

The appointee was charged £132.1m (2024: £172.4m) of interest by its subsidiary company Wessex Water Services Finance Plc in relation to the proceeds of Bonds issued by that company, that were lent to the appointee under the same terms as the Bonds. The Bonds are shown in note 20 to the Integrated Annual Report.

The appointee acquired assets of £1.3m (2024: £0.7m) on behalf of Wessex Water Enterprises Ltd and transferred those assets to that company.

# Section 1: Regulatory financial reporting

## Current tax analysis

The UK corporation tax on Table 1A is a credit of 0.1m.

Profit before tax and fair value movements was £1.3m which at the standard tax rate of 25% derives an expected tax charge of £0.3m. The actual tax credit of £0.1m is £0.4m different from £0.3m. The main reconciling items are explained as follows:

-59.8m capital allowances in excess of depreciation
-0.4m pension tax relief in excess of accounting charge
+1.1m permanent disallowable expenditure
+58.7m current year tax losses
-0.1m prior year adjustment
+0.1m other
-----
-0.4m

The Company does not expect to sell any losses to other group companies. Should it do, losses would be sold at the tax rate applicable for the period in question. On the basis that no fair value gains or losses are reported, there are no corresponding tax adjustments.

## Current tax reconciliation

The corporation tax credit of £0.1m primarily relates to prior years. The current year current tax credit of £0.0m is £7.6m lower than the £7.6m tax charge allowed in the price limits. The main reconciling items are explained as follows:

-32.6m lower profit before tax of £130.5 at 25%
+15.4m lower add back for depreciation
-1.6m higher tax relief on pension payments
+3.4m no debt gearing adjustment
+5.4m capitalised interest adjustment
-60.1m lower capital allowances deduction
+58.7m current year losses
+4.0m other adjustments (including rate change)
-----
-£7.6m

The current year tax charge has been affected by the availability of the full expensing regime for capital expenditure. As this measure has now been made permanent, it is expected to have a significant impact on future current tax charges.

## Interest

The overall interest charge of £170.806m comprises interest expense in Table 1A.7 of £171.106m and Interest received on net defined benefit assets/liabilities in Table 1A.8 of £0.300m.

	£m
Interest charged on bonds	132.127
Interest charged on term loans, revolving credit facilities and leases	38.979
<b>Sub total</b>	171.106
Other financing costs	-0.300
<b>Total</b>	170.806

## Swap accretion reconciliation

Total borrowings of £3.843.5m (2024: £2,969.2m) are consistent across both Tables 1C and 1E. The Company does not currently have any derivatives.

## Analysis of debt

Total borrowings of £3,843.5m (2024: £2,969.2m) are consistent across both Tables 1E and 4B. A summary breakdown is shown in 1E and a detailed breakdown in 4B.

## Financial derivatives

Not applicable.

## Financial flows

The purpose of Table 1F is to provide full transparency of the financial flows to investors. It looks at how the actual performance of the Company supports the financial flows and compares it to what was assumed by Ofwat under the notional structure at the last price review.

All financial values are stated at 2017-18 prices for comparison with the last price review.

We have used the base returns, RCV and equity figures published by Ofwat and made no amendments.

### Financial performance

Our gearing of 72% remains above that assumed in the notional structure. Gearing has increased since last year, as we:

1. continue to feel the impact of above inflationary input price pressures over the 5 years, and
2. catch up investment delayed at the start of the period due to Covid-19.

Whilst we continue to see outperformance on the cost of debt, the real cost of debt is marginally lower (0.2%) than assumed in the final determination, resulting in a c£4m benefit on the actual financial structure. This is due to our limited exposure to index linked debt while inflation remained high.

This year, following the previous introduction of full expensing of capital expenditure, Ofwat has revised the tax allowances however our large adjustment for capital allowance results in a total tax benefit of c£57m. Further detail around our tax performance in our tax reconciliation and narrative on page 29.

We have no hedging instruments and no group relief to report.

## Section 1: Regulatory financial reporting

Our financial performance has resulted in the following RoRE impacts (on notional equity):

	2024-25 RoRE	2020-25 RoRE
Gearing	+1.02%	+0.85%
Tax	+3.17%	+1.76%
Cost of Debt	+0.24%	+2.47%
Financing Total	+4.44%	+5.08%

### Operational performance

We discuss our performance over these areas in detail in the individual narrative sections.

We recorded a totex underperformance in year of c£65m after sharing. This is due to significant input price pressures over operating expenditure in the year and increasing recruitment in preparation for AMP8. We will continue to deliver improvements that are in the best interests of our customers during PR24.

A c£23m underperformance payment for pollution incidents makes up much of the c£29m in year ODI underperformance. Please see Section 3: Performance summary for more details.

We have included the 2023-24 reward of £1.5m C-MeX and D-MeX as published. We expect to continue our strong performance in both these measures for 2024-25, but no allowance is currently made for this.

On retail we are showing a continued underperformance of -£2m this year that we discuss in the retail narrative on page 37. This has reduced from last year driven by a £6.1m reduction in the provision for doubtful debts reflecting the growing stability on household disposable incomes.

We have included the company share of land sales as disclosed in table 2L and calculated as per the PR24 reconciliation model, within the exceptional items. This is the only contributing factor to this value.

Our operational performance has resulted in the following RoRE impacts (on notional equity):

	2024-25 RoRE	2020-25 RoRE
Totex	-4.66%	-2.90%
ODIs & MEXs	-1.97%	-0.45%
Retail	-0.11%	-0.34%
Exceptional Items	+0.00%	+0.03%
Operational Total	-6.74%	-3.66%

### Dividends and retained value

This year we have paid dividends of £52m (2017-18 prices), a yield of c5% on actual equity. We have a flexible dividend policy that ensures that we are paying dividends that are sustainable and supported by our overall performance. This is reviewed annually to ensure that we are paying the appropriate dividends, that these relate to our performance, and that we remain financially viable.

## Section 1: Regulatory financial reporting

## Pro forma 1A

## Wessex Water

## Income statement for the 12 months ended 31 March 20

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	
Revenue	£m	3	652.579	-6.058	18.548	-24.606	627.973
Operating costs	£m	3	-494.097	26.894	-18.338	45.232	-448.865
Other operating income	£m	3	6.409	-21.603	0.000	-21.603	-15.194
Operating profit	£m	3	164.891	-0.767	0.210	-0.977	163.914
Other income	£m	3	-0.007	7.011	0.000	7.011	7.004
Interest income	£m	3	1.228	0.000	0.000	0.000	1.228
Interest expense	£m	3	-149.565	-21.541	0.000	-21.541	-171.106
Other interest expense	£m	3	0.300	0.000	0.000	0.000	0.300
Profit before tax and fair value	£m	3	16.847	-15.297	0.210	-15.507	1.340
Fair value gains/(losses) on financial	£m	3	0.000	0.000	0.000	0.000	0.000
Profit before tax	£m	3	16.847	-15.297	0.210	-15.507	1.340
UK Corporation tax	£m	3	0.039	0.000	-0.052	0.052	0.091
Deferred tax	£m	3	-5.261	3.824	0.000	3.824	-1.437
Profit for the year	£m	3	11.625	-11.473	0.158	-11.631	-0.006
Dividends	£m	3	-66.500	0.000	0.000	0.000	-66.500

## Tax analysis

Current year	£m	3	0.057	0.000	0.052	-0.052	0.005
Adjustment in respect of prior years	£m	3	-0.096	0.000	0.000	0.000	-0.096
UK Corporation tax	£m	3	-0.039	0.000	0.052	-0.052	-0.091

## Analysis of non-appointed revenue

Imported sludge	£m	3			0.000		
Tankered waste	£m	3			4.103		
Other non-appointed revenue	£m	3			14.445		
Revenue	£m	3			18.548		

## Pro forma 1B

## Wessex Water

## Statement of comprehensive income for the 12 months ended 31 March

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities
				Differences between statutory and RAG	Non-appointed	Total adjustments	
Profit for the year	£m	3	11.625	-11.473	0.158	-11.631	-0.006
Actuarial gains/(losses) on post-employment plans	£m	3	10.875	0.000	0.000	0.000	10.875
Other comprehensive income	£m	3	0.000	0.000	0.000	0.000	0.000
Total Comprehensive income for the year	£m	3	22.500	-11.473	0.158	-11.631	10.869



## Wessex Water

## Statement of financial position for the 12 months ended 31 March 20

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	

## Non-current assets

Fixed assets	£m	3	4,723.697	-723.178	0.000	-723.178	4,000.519
Intangible assets	£m	3	33.230	-1.962	0.000	-1.962	31.268
Investments - loans to group companies	£m	3	0.000	0.000	0.000	0.000	0.000
Investments - other	£m	3	0.013	0.000	0.000	0.000	0.013
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000
Retirement benefit assets	£m	3	21.300	0.000	0.000	0.000	21.300
Total non-current assets	£m	3	4,778.240	-725.140	0.000	-725.140	4,053.100

## Current assets

Inventories	£m	3	7.567	0.000	0.000	0.000	7.567
Trade & other receivables	£m	3	209.019	0.902	0.826	0.076	209.095
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000
Cash & cash equivalents	£m	3	558.502	0.000	0.000	0.000	558.502
Total current assets	£m	3	775.088	0.902	0.826	0.076	775.164

## Current liabilities

Trade & other payables	£m	3	-289.919	41.689	0.000	41.689	-248.230
Capex creditor	£m	3	0.000	-41.689	0.000	-41.689	-41.689
Borrowings	£m	3	-184.257	0.000	0.000	0.000	-184.257
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000
Current tax liabilities	£m	3	0.606	0.000	-0.158	0.158	0.764
Provisions	£m	3	-0.382	0.000	0.000	0.000	-0.382
Total current liabilities	£m	3	-473.952	0.000	-0.158	0.158	-473.794

Net Current assets/(liabilities)	£m	3	301.136	0.902	0.668	0.234	301.370
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## Current liabilities

Trade & other payables	£m	3	-289.919	41.689	0.000	41.689	-248.230
Capex creditor	£m	3	0.000	-41.689	0.000	-41.689	-41.689
Borrowings	£m	3	-184.257	0.000	0.000	0.000	-184.257
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000
Current tax liabilities	£m	3	0.606	0.000	-0.158	0.158	0.764
Provisions	£m	3	-0.382	0.000	0.000	0.000	-0.382
Total current liabilities	£m	3	-473.952	0.000	-0.158	0.158	-473.794

Net Current assets/(liabilities)	£m	3	301.136	0.902	0.668	0.234	301.370
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## Non-current liabilities

Trade & other payables	£m	3	-5.825	0.000	0.000	0.000	-5.825
Borrowings	£m	3	-3,659.243	0.000	0.000	0.000	-3,659.243
Financial instruments	£m	3	0.000	0.000	0.000	0.000	0.000
Retirement benefit obligations	£m	3	-0.604	0.000	0.000	0.000	-0.604
Provisions	£m	3	0.000	0.000	0.000	0.000	0.000
Deferred income – grants & contributions	£m	3	-335.149	119.191	0.000	119.191	-215.958
Deferred income - adopted assets	£m	3	0.000	-119.191	0.000	-119.191	-119.191
Preference share capital	£m	3	0.000	0.000	0.000	0.000	0.000
Deferred tax	£m	3	-580.761	181.139	0.000	181.139	-399.622
Total non-current liabilities	£m	3	-4,581.582	181.139	0.000	181.139	-4,400.443

Net assets	£m	3	497.794	-543.099	0.668	-543.767	-45.973
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## Equity

Called up share capital	£m	3	0.000	0.000	0.000	0.000	0.000
Retained earnings & other reserves	£m	3	497.794	-543.099	0.668	-543.767	-45.973
Total Equity	£m	3	497.794	-543.099	0.668	-543.767	-45.973

## Section 1: Regulatory financial reporting

Pro forma 1D  
Wessex Water

## Statement of cashflows for the 12 months ended 31 March 2025

Line description	Units	DPs	Statutory	Adjustments			Total appointed activities
				Differences between statutory and RAG definitions	Non-appointed	Total adjustments	
Operating activities							
Operating profit	£m	3	164.891	-0.767	0.210	-0.977	163.914
Other income	£m	3	-0.007	7.011	0.000	7.011	7.004
Depreciation	£m	3	142.627	-18.354	0.000	-18.354	124.273
Amortisation – Grants & contributions	£m	3	0.000	-3.088	0.000	-3.088	-3.088
Changes in working capital	£m	3	18.311	0.004	-0.210	0.214	18.525
Pension contributions	£m	3	0.000	0.000	0.000	0.000	0.000
Movement in provisions	£m	3	-0.700	0.000	0.000	0.000	-0.700
Profit on sale of fixed assets	£m	3	0.000	15.194	0.000	15.194	15.194
Cash generated from operations	£m	3	325.122	0.000	0.000	0.000	325.122
Net interest paid	£m	3	-115.550	0.000	0.000	0.000	-115.550
Tax paid	£m	3	0.315	0.000	0.000	0.000	0.315
Net cash generated from operating	£m	3	209.887	0.000	0.000	0.000	209.887
Investing activities							
Capital expenditure	£m	3	-428.946	0.000	0.000	0.000	-428.946
Grants & Contributions	£m	3	11.486	0.000	0.000	0.000	11.486
Disposal of fixed assets	£m	3	4.561	0.000	0.000	0.000	4.561
Other	£m	3	0.000	0.000	0.000	0.000	0.000
Net cash used in investing activities	£m	3	-412.899	0.000	0.000	0.000	-412.899
Net cash generated before financing	£m	3	-203.012	0.000	0.000	0.000	-203.012
Cashflows from financing activities							
Equity dividends paid	£m	3	-66.500	0.000	0.000	0.000	-66.500
Net loans received	£m	3	822.200	0.000	0.000	0.000	822.200
Cash inflow from equity financing	£m	3	0.000	0.000	0.000	0.000	0.000
Net cash generated from financing	£m	3	755.700	0.000	0.000	0.000	755.700

Pro forma 1E  
Wessex Water

## Net debt analysis (appointed activities) at 31 March 2025

Line description	Units	DPs	Fixed rate	Floating rate	Index linked		Total
					RPI	CPI/CPIH	
Interest rate risk profile							
Borrowings (excluding preference shares)	£m	3	2,182.589	701.859	959.052	0.000	3,843.500
Preference share capital	£m	3	0.000				0.000
Total borrowings	£m	3	2,182.589	701.859	959.052	0.000	3,843.500
Cash	£m	3					-558.502
Short term deposits	£m	3					0.000
Net Debt	£m	3					3,284.998
Gearing							
Gearing	%	3					71.912%
Adjusted Gearing	%	3					71.912%
Interest							
Full year equivalent nominal interest cost	£m	3	104.684	41.841	32.235	0.000	178.760
Full year equivalent cash interest payment	£m	3	104.684	41.841	15.681	0.000	162.206
Indicative interest rates							
Indicative weighted average nominal interest rate	%	3	4.796%	5.961%	3.361%	0.000%	4.651%
Indicative weighted average cash interest rate	%	3	4.796%	5.961%	1.635%	0.000%	4.220%
Time to maturity							
Weighted average years to maturity	nr	3	8.872	3.168	28.373	0.000	12.865

## Section 1: Regulatory financial reporting

Pro forma 1F  
Wessex Water

Financial flows for the 12 months ended 31 March 2025 and for the price review to date														
Line description			12 months ended 31 March 2025						Average 2020-25					
			Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity
	Units			%			£m			%			£m	
Regulatory equity	DPs			2			3			2			3	
Regulatory equity	£m	3	1396.257	1396.257	1032.517				1320.960	1320.960	1038.904			
Return on regulatory equity														
Return on regulatory equity	See Column Heading		3.93%	2.91%	3.93%	54.873	40.578	40.578	3.89%	3.06%	3.89%	51.385	40.413	40.413
<b>Financing</b>														
Impact of movement from notional gearing	See Column Heading			1.02%	0.57%		14.295	5.872		0.83%	0.44%		10.972	4.530
Gearing benefits sharing	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000
Variance in corporation tax	See Column Heading			3.17%	4.29%		44.248	44.248		1.76%	2.24%		23.297	23.297
Group relief	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000
Cost of debt	See Column Heading			0.24%	0.40%		3.406	4.082		2.47%	3.53%		32.614	36.684
Hedging instruments	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000
Return on regulatory equity including Financing adjustments	See Column Heading		3.93%	7.34%	9.18%	54.873	102.527	94.780	3.89%	8.12%	10.10%	51.385	107.296	104.924
<b>Operational Performance</b>														
Totex out / (under) performance	See Column Heading			-4.66%	-6.30%		-65.054	-65.054		-2.90%	-3.68%		-38.252	-38.252
ODI out / (under) performance	See Column Heading			-2.07%	-2.80%		-28.942	-28.942		-0.58%	-0.73%		-7.613	-7.613
C-Mex out / (under) performance	See Column Heading			0.10%	0.13%		1.334	1.334		0.10%	0.13%		1.350	1.350
D-Mex out / (under) performance	See Column Heading			0.01%	0.01%		0.138	0.138		0.02%	0.03%		0.320	0.320
Retail out / (under) performance	See Column Heading			-0.18%	-0.24%		-2.487	-2.487		-0.35%	-0.45%		-4.648	-4.648
Other exceptional items	See Column Heading			0.00%	0.00%		0.008	0.008		0.03%	0.03%		0.331	0.331
Operational performance total	See Column Heading			-6.80%	-9.20%		-95.003	-95.003		-3.67%	-4.67%		-48.512	-48.512
RoRE (return on regulatory equity)	See Column Heading		3.93%	0.54%	-0.02%	54.873	7.524	-0.223	3.89%	4.45%	5.43%	51.385	58.784	56.412
RCV growth	See Column Heading		3.46%	3.46%	3.46%	48.310	48.310	35.725	5.67%	5.67%	5.67%	74.898	74.898	58.906
Voluntary sharing arrangements	See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000
Total shareholder return	See Column Heading		7.39%	4.00%	3.44%	103.183	55.834	35.502	9.56%	10.12%	11.10%	126.284	133.683	115.318

## Section 1: Regulatory financial reporting

Pro forma 1F  
Wessex Water

Financial flows for the 12 months ended 31 March 2025 and for the price review to date														
Line description			12 months ended 31 March 2025						Average 2020-25					
			Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity	Notional returns and notional regulatory equity	Actual returns and notional regulatory equity	Actual returns and actual regulatory equity
	Units		%			£m			%			£m		
	DPs		2			3			2			3		
<b>Regulatory equity</b>														
<b>Operational Performance</b>														
Totex out / (under) performance	See Column Heading		-4.66%	-6.30%		-65.054	-65.054		-2.90%	-3.68%		-38.252	-38.252	
ODI out / (under) performance	See Column Heading		-2.07%	-2.80%		-28.942	-28.942		-0.58%	-0.73%		-7.613	-7.613	
C-Mex out / (under) performance	See Column Heading		0.10%	0.13%		1.334	1.334		0.10%	0.13%		1.350	1.350	
D-Mex out / (under) performance	See Column Heading		0.01%	0.01%		0.138	0.138		0.02%	0.03%		0.320	0.320	
Retail out / (under) performance	See Column Heading		-0.18%	-0.24%		-2.487	-2.487		-0.35%	-0.45%		-4.648	-4.648	
Other exceptional items	See Column Heading		0.00%	0.00%		0.008	0.008		0.03%	0.03%		0.331	0.331	
Operational performance total	See Column Heading		-6.80%	-9.20%		-95.003	-95.003		-3.67%	-4.67%		-48.512	-48.512	
<b>RoRE (return on regulatory equity)</b>														
See Column Heading			3.93%	0.54%	-0.02%	54.873	7.524	-0.223	3.89%	4.45%	5.43%	51.385	58.784	56.412
<b>RCV growth</b>														
See Column Heading			3.46%	3.46%	3.46%	48.310	48.310	35.725	5.67%	5.67%	5.67%	74.898	74.898	58.906
<b>Voluntary sharing arrangements</b>														
See Column Heading			0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000	
<b>Total shareholder return</b>														
See Column Heading			7.39%	4.00%	3.44%	103.183	55.834	35.502	9.56%	10.12%	11.10%	126.284	133.683	115.318
<b>Dividends</b>														
Gross Dividend	See Column Heading		2.01%	3.70%	5.01%	28.065	51.704	51.704	2.01%	4.21%	5.36%	26.551	55.639	55.639
Interest Receivable on Intercompany loans	See Column Heading		0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000	
<b>Retained Value</b>														
See Column Heading			5.38%	0.30%	-1.57%	75.119	4.130	-16.202	7.55%	5.91%	5.74%	99.732	78.044	59.679
<b>Cash impact of 2015-20 performance adjustments</b>														
Totex out / under performance	See Column Heading		0.00%	0.00%		0.000	0.000		0.00%	0.00%		0.000	0.000	
ODI out / under performance	See Column Heading		0.00%	0.00%		0.000	0.000		0.43%	0.54%		5.636	563.600	
Total out / under performance	See Column Heading		0.00%	0.00%		0.000	0.000		0.43%	0.54%		5.636	5.636	

## Section 2: Price review and other segmental reporting

### Land sales

During the year two plots of land were sold with total net proceeds of £21k. None of these were above the threshold for reporting such disposals to Ofwat. There were no qualifying disposals.

### Retail

The table below shows actual retail operating costs as detailed in Table 2C, against those assumed in Ofwat's Final Determination in 2019.

	Actual (£m)	Allowed (£m)
Household Retail	33.1	29.9

#### *Retail: household*

This year our retail operating costs were higher than those set at the PR19 final determination. This is a decrease of £3.7m when compared to last year's result of £36.8m. This includes the effects of:

- a £6.1m decrease in doubtful debt costs to reflect the growing stability in economic measures including inflation on household disposable incomes
- Staff pay awards reflecting an increase of 5.0% effective 1 April 2024
- £1.2m spent researching and evaluating a potential new billing platform.

We continue to expect to generate efficiencies, in both debt collection and customer service expenditure by implementing a new billing platform over the coming years.

Alongside this our service continues to be amongst the best in the industry. The Consumer Council for Water (CCW) published data showing that, for the thirteenth year in a row we continue to receive the lowest number of written complaints (per 10,000 connected properties) of any water and sewerage company. We were also ranked as one of the top performing water and sewerage companies in the customer measure of experience (C-MeX).

#### *Retail: non-household*

We no longer operate in the retail non-household market.

## Wholesale revenues

In 2024-25 we recovered £595.4m wholesale revenue against a final determination allowance of £590.8m; an over-recovery of c.1%. A breakdown of the variance against the final determination is shown in the table below.

### Wholesale Revenues by price control - Summary

	units	Water resources	Water network+	Wastewater network+	Bioresources	Total
Revenue Cap	£m	24.0	196.4	335.6	34.8	590.8
Revenue Recovered	£m	23.6	195.2	341.3	35.3	595.4
Revenue Imbalance	£m	0.4	1.3	-5.6	-0.5	-4.6
Revenue Imbalance (% of cap)	%	1.5%	0.7%	-1.7%	-1.4%	0.8%

Revenue recovered aligned closely with the revenue cap, with all variances within  $\pm 2\%$ . Driving factors behind changes in revenues are household and non-household consumption levels and developer services activity. Differences in recovery between prices controls tend to be driven by the population balance between our water only, dual service and wastewater only areas.

## Social tariffs

The Company continues to offer a range of social tariffs at varying levels of support to ensure that those in need receive the assistance that they require. A breakdown is given in the table below.

### Social tariff customer numbers 2024-25

Customer numbers	Unit	Assist	WaterSure	Discount for Low Income Pensioners	Total
Business plan forecast	nr	17,413	11,816	57,177	<b>86,406</b>
Actual	nr	23,400	9,861	31,147	<b>64,407</b>
Variance	nr	5,987	-1,955	-26,030	<b>-21,999</b>

We have seen an increase in numbers on all three social tariffs during 2024-25. Our performance on each tariff is reviewed in detail below.

### Assist

#### Assist customer numbers - net additions AMP summary

	Unit	2020-21	2021-22	2022-23	2023-24	2024-25	AMP total
Actual/updated forecast	nr	935	1,244	1,770	3,152	2,952	<b>10,053</b>
Business plan forecast	nr	900	900	900	900	900	<b>4,500</b>
Variance	nr	35	344	870	2,252	2,052	<b>5,553</b>

2024-25 has been another strong year for adding customers onto Assist. As such, we have significantly outperformed our business plan target for AMP8. This outperformance was achieved mainly through the delivery of the initiatives set out in our vulnerability strategy, Every Customer Matters.

To raise awareness and increase uptake of our support we have continued to put additional initiatives in place.

### *Promotional activities*

We have information about affordability prominently displayed on bills, on associated billing literature, and on our website. We promote our support via our magazine, e-news articles and through more than 300 partners. In addition, we have:

- Increased the messaging on our bills and on our website to highlight next year's expected bill rise, how customers can get help paying their bills and how they can also save water to save money
- Carried out targeted social media messaging across our region using a cost of living/struggling to pay message which has been very successful
- Taken out hospital magazine advertising
- Written an article for Kidney Matters magazine
- Included a double-spread cost-of-living article in our own Autumn magazine
- Promoted affordability support to Wessex Water colleagues, their friends, and family during Talk Money Week
- Funded some Public Living Rooms in council areas and provided promotional flyers. Public living rooms are safe, warm spaces set up in community centres, church halls, and some cafes where hot drinks, phone charging facilities, and internet connection are provided for those most in need
- Encouraged and enabled our many partners to promote our schemes through our PartnerHub post
- New community outreach coordinators provide regular drop-in sessions for face-to-face customer service and including promotion our support schemes. [Community Drop-Ins | Wessex Water](#)
- We took part in Carers Week- promoting services on offer through our social media, and we attended an event held by a carers support centre in Bristol to chat to carers and organisations about affordability
- Used social media such as FINTOK on TikTok to promote help to pay and ways customers can reduce bills aimed at the younger generation.
- Participated in Care Leavers Week, promoting our services through social media and attended an event held by Bristol City Council to discuss affordability with carer leavers and organisations
- Produced Help with Water bill adverts aired on Global radio through February until Mid-March across our supply area
- Supported debt awareness week internally and externally with staff and created videos about the support available.

### *Building new partnerships*

- Utilised our data share partnership with North Somerset Council and Bristol Council to auto enrol customers on to Discount for low income pensioners
- Rolled out care leaver Assist across our region, giving a 90% bill reduction to those leaving care and becoming bill payers for the first time
- Working with Kidney Care UK to raise awareness of our schemes through a variety of ways
- Independent age - have joined our stakeholder panel.
- Reached out to foodbanks to collaborate with us and since had request for flyers, posters, sign ups to our newsletter and request to speak with us.



- Signed up social landlords to provide independent advice and apply for schemes with tenants.

### *Simple application process*

Since May 2024 we have partnered with IE Hub to enhance our digital customer journey and offer debt advice referral through Money Wellness.

### *Future forecasts*

Ofwat's Final Determination for AMP9 means that typical bills for our customers in 2025-26 are rising by approximately 20%. This, in addition to government support fully unwinding and the cost of living impact to household finances, means that we are expecting an increase of customers signing on to our social tariffs. We will continue to engage closely with our partners and expert advisors and are ready to flex our suite of support as and when required. We will also introduce further data shares and auto-enrol customers onto schemes where we can.

We believe data sharing with councils, promotional activity, and improvements to the customer journey will all have a positive impact on the growth in Assist through AMP9.

## WaterSure

### *WaterSure customer numbers net additions AMP summary*

	Unit	2020-21	2021-22	2022-23	2023-24	2024-25	AMP total
Actual/updated forecast	nr	883	-134	287	681	1,864	<b>3,581</b>
Business plan forecast	nr	700	700	700	700	700	<b>3,500</b>
Variance	nr	183	-834	-413	-19	1,164	<b>81</b>

We were behind on our forecast for WaterSure coming into 2024-25. During 2020-21 we were more generous in the time given to customers to renew. A return to our normal renewals process had a knock-on impact into 2021-22 as more customers were removed from the scheme than we would expect in one year. This settled down in 2022-23 as we caught up with the backlog and saw a slight uplift in the numbers on the tariff. In 2023-24 we fared much better almost reaching our business plan forecast. We continued this into 2024-25 and have now exceeded our business plan forecasts.

In 2024-25 we further simplified our WaterSure application process by allowing self-declaration for medical conditions leading to high water usage and are piloting phone sign-ups.

We have also enabled data matching with DWP for WaterSure. Since October 2019, customers auto-enrolled and 4235 auto renewed with more being currently worked

### *Future forecasts*

We hope that the changes we have made to simplify our process and introduce auto renewal and enrolment will continue to benefit our customers as we transition to AMP9, even though this will no longer be a performance commitment. We expect numbers to continue to grow as we make it easier for customers to have the scheme.



Discount for Low Income Pensioners*Discount for Low Income Pensioners customer numbers – net additions AMP summary*

	Unit	2020-21	2021-22	2022-23	2023-24	2024-25	AMP total
Actual/updated forecast	nr	1,432	648	1,268	4,630	6,652	<b>14,630</b>
Business plan forecast	nr	7,000	7,000	7,000	7,000	7,000	<b>35,000</b>
Variance	nr	-5,568	-6,352	-5,732	-2,370	-348	<b>-20,370</b>

We have continued the trend set in 2023-24, adding the greatest number of customers to our Discount for Low Income Pensioners in AMP8. However, we have still fallen short of our targets. Our data share with the DWP and Councils has helped but we hadn't taken into account how many customers organically are removed from this scheme. Our data share with North Somerset Council, DWP and Bristol Council helped us auto-enrol over 14,000 customers to the scheme between 2020-21 and 2024-25.

Due to the winter fuel allowance changes we believe it's more important this year to promote DLIP and encourage pensioners to sign up for Pension credit. Banners are on our website, and we have increased social media activity.

*Future forecasts*

We continue to send data to the DWP and auto-enrol matched customers onto our scheme. We have now found a way to automate some of our processes meaning going forward we will be able to share bigger files with DWP or receive more files from Councils.

**Comment from CCW**

One of the requirements of the performance commitment is to provide a comment from CCW on the quality of the Company's efforts to target financial support. CCW provided the following:

*It's vital the financial support offered by water companies reaches those who need it most which is why we support Wessex Water's continued efforts to help customers manage their bills.*

*We know many low-income customers don't expect to receive financial help from their water company so it's great that Wessex is working in partnership with organisations to help identify people who might benefit from assistance. In particular, their recent work on data sharing which has enabled them to identify and support considerably more households to access Watersure over February and March this year.*

*Wessex have seen good growth in the number of customers supported via social tariffs over the 2024/2025 financial year. They continue to monitor the effectiveness of the schemes, and continue to explore ways in which they can reach those who are unaware of the support available.*

**Biennial report**

Another requirement of this performance commitment is to publish a report at least biennially which includes an analysis of the percentage of customers who receive affordability support via social tariffs who continue to pay their bill in full or in part, along with proposals for any changes that could improve the payment rate among customers.

To fulfil this requirement, we present information to our expert Vulnerability Advisory Panel (VAP) each year and seek their endorsement for this along with other data, proposed changes to our schemes and initiatives to raise awareness and increase uptake of our support.

We also include this information in our vulnerability strategy, Every Customer Matters, updated and published each autumn following endorsement by our VAP. We share our strategy document more widely with stakeholders including via our PartnerHub. A copy of Every Customer Matters can be found here [Vulnerability strategy | Wessex Water](#) and previous documents here [Vulnerability strategy documents | Wessex Water](#)

## Summary

In summary, it has been our strongest year of this AMP for social tariff growth, mainly due to our efforts to support customers through our main social tariff, Assist, where customer growth has exceeded targets (WaterSure also had a large turnaround, and DLIP continued to grow well).

### Pro forma 2A

#### Wessex Water

Segmental income statement for the 12 months ended 31 March 2025										
Line description	Units	DPs	Residential retail	Business retail	Water resources	Water Network +	Wastewater Network+	Bioresources	Additional Control	Total
Revenue - price control	£m	3	43.776	0.000	23.615	186.863	333.807	35.268	0.000	623.329
Revenue - non price control	£m	3	0.000	0.000	0.018	2.785	1.707	0.133	0.000	4.643
Operating expenditure - excluding PU recharge impact	£m	3	-32.106	0.000	-13.758	-92.108	-150.469	-36.148	0.000	-324.589
PU opex recharge	£m	3	-0.324	0.000	-0.289	-1.918	3.120	-0.591	0.000	-0.001
Operating expenditure - including PU recharge impact	£m	3	-32.430	0.000	-14.047	-94.026	-147.349	-36.739	0.000	-324.590
Depreciation - tangible fixed assets	£m	3	-0.238	0.000	-3.102	-37.534	-63.459	-9.437	0.000	-113.770
Amortisation - intangible fixed assets	£m	3	-0.461	0.000	-0.227	-2.223	-6.980	-0.612	0.000	-10.503
Other operating income	£m	3	-12.477	0.000	0.060	0.626	-4.003	0.600	0.000	-15.194
Operating profit	£m	3	-1.830	0.000	6.317	56.491	113.723	-10.787	0.000	163.915
Surface water drainage rebates										
Surface water drainage rebates	£m	3								0.141

## Section 1: Regulatory financial reportingPrice review and other segmental reporting

## Pro forma 2B

## Wessex Water

## Totex analysis for the 12 months ended 31 March 2025 - wholesale

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control	Total
<b>Base operating expenditure</b>								
Power	£m	3	3.801	11.449	32.109	1.138		48.497
Income treated as negative expenditure	£m	3	-0.005	-0.382	-0.433	-3.903		-4.723
Service charges/ discharge consents	£m	3	2.638	0.182	7.303	0.051		10.174
Bulk Supply/Bulk discharge	£m	3	0.000	2.200	0.127	0.033		2.360
Renewals expensed in year (Infrastructure)	£m	3	0.485	6.405	11.412	0.000		18.303
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000		0.000
Other operating expenditure (including Location specific costs & obligations)	£m	3	4.461	55.707	71.066	36.353		167.587
Local authority and Cumulo rates	£m	3	0.757	11.609	10.023	2.458		24.847
Total base operating expenditure	£m	3	12.137	87.170	131.607	36.130	0.000	267.045
<b>Other operating expenditure</b>								
Enhancement operating expenditure	£m	3	1.054	1.587	14.278	0.609		17.527
Developer services operating expenditure	£m	3	0.000	4.465	0.845	0.000		5.310
Total operating expenditure excluding third party services	£m	3	13.192	93.222	146.730	36.739	0.000	289.882
Third party services	£m	3	0.855	0.804	0.619	0.000		2.278
Total operating expenditure	£m	3	14.047	94.026	147.349	36.739	0.000	292.160
<b>Grants and contributions</b>								
Grants and contributions - operating expenditure	£m	3	0.000	4.136	1.253	0.000		5.389
<b>Capital expenditure</b>								
Base capital expenditure	£m	3	3.022	46.774	85.399	20.852		156.047
Enhancement capital expenditure	£m	3	7.068	8.963	226.549	4.813		247.393
Developer services capital expenditure	£m	3	0.000	3.964	10.382	0.000		14.346
Total gross capital expenditure excluding third party services	£m	3	10.091	59.701	322.330	25.664	0.000	417.786
Third party services	£m	3	0.000	0.000	0.000	0.000		0.000
Total gross capital expenditure	£m	3	10.091	59.701	322.330	25.664	0.000	417.786
<b>Grants and contributions</b>								
Grants and contributions - operating expenditure	£m	3	0.000	4.136	1.253	0.000		5.389
<b>Capital expenditure</b>								
Base capital expenditure	£m	3	3.022	46.774	85.399	20.852		156.047
Enhancement capital expenditure	£m	3	7.068	8.963	226.549	4.813		247.393
Developer services capital expenditure	£m	3	0.000	3.964	10.382	0.000		14.346
Total gross capital expenditure excluding third party services	£m	3	10.091	59.701	322.330	25.664	0.000	417.786
Third party services	£m	3	0.000	0.000	0.000	0.000		0.000
Total gross capital expenditure	£m	3	10.091	59.701	322.330	25.664	0.000	417.786
<b>Grants and contributions</b>								
Grants and contributions - capital expenditure	£m	3	0.000	5.062	6.422	0.000		11.484
Net totex	£m	3	24.138	144.529	462.003	62.403	0.000	693.073
<b>Cash expenditure</b>								
Pension deficit recovery payments	£m	3	0.000	0.000	0.000	0.000		0.000
Other cash items	£m	3	0.000	0.000	0.000	0.000		0.000
Totex including cash items	£m	3	24.138	144.529	462.003	62.403	0.000	693.073

Pro forma 2C  
Wessex Water

## Cost analysis for the 12 months ended 31 March 20

Line description	Units	DPs	Residential	Business	Total
<b>Operating expenditure</b>					
Customer services	£m	3	9.723	0.000	9.723
Debt management	£m	3	3.101	0.000	3.101
Doubtful debts	£m	3	13.346	0.000	13.346
Meter reading	£m	3	1.739	0.000	1.739
Other operating expenditure	£m	3	4.164	0.000	4.164
Local authority and Cumulo rates	£m	3	0.033	0.000	0.033
Total operating expenditure excluding third party services	£m	3	32.106	0.000	32.106
<b>Depreciation</b>					
Depreciation (tangible fixed assets) on assets existing at 31 March 2015	£m	3	0.050	0.000	0.050
Depreciation (tangible fixed assets) on assets acquired after 1 April 2015	£m	3	0.188	0.000	0.188
Amortisation (intangible fixed assets) on assets existing at 31 March 2015	£m	3	0.000	0.000	0.000
Amortisation (intangible fixed assets) on assets acquired after 1 April 2015	£m	3	0.461	0.000	0.461
<b>Recharges</b>					
Recharge from wholesale for legacy assets principally used by wholesale (assets existing at 31 March 2015)	£m	3	0.009	0.000	0.009
Income from wholesale for legacy assets principally used by retail (assets existing at 31 March 2015)	£m	3	0.000	0.000	0.000
Recharge from wholesale assets acquired after 1 April 2015 principally used by wholesale	£m	3	0.315	0.000	0.315
Income from wholesale assets acquired after 1 April 2015 principally used by retail	£m	3	0.000	0.000	0.000
Net recharges costs	£m	3	0.324	0.000	0.324
<b>Total retail costs excluding third party and pension deficit repair costs</b>					
	£m	3	33.129	0.000	33.129

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Third party services operating expenditure	£m	3	0.000	0.000	0.000
Pension deficit repair costs	£m	3	0.000	0.000	0.000
Total retail costs including third party and pension deficit repair costs	£m	3	33.129	0.000	33.129
Debt written off					
Debt written off	£m	3	12.416	0.000	12.416
Capital expenditure					
Capital expenditure	£m	3	0.938	0.000	0.938
Comparison of actual and allowed expenditure					
Cumulative actual retail expenditure to reporting year end	£m	3	169.774		
Cumulative allowed expenditure to reporting year end	£m	3	141.530		
Total allowed expenditure 2020-25	£m	3	141.530		

### Pro forma 2D Wessex Water

#### Historic cost analysis of tangible fixed assets at 31 March 2025

Line description	Units	DPs	Residential Retail	Business Retail	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control	Total
<b>Cost</b>										
At 1 April 2024	£m	3	22.900	0.000	110.522	1,617.628	3,366.901	342.090	0.000	5,460.041
Disposals	£m	3	0.000	0.000	-0.765	-3.801	-19.582	-6.236	0.000	-30.384
Additions	£m	3	0.327	0.000	10.557	63.977	309.275	25.849	0.000	409.985
Adjustments	£m	3	0.000	0.000	-0.039	-0.323	-0.988	1.350	0.000	0.000
Assets adopted at nil cost	£m	3	0.000	0.000	0.000	0.000	4.591	0.000	0.000	4.591
At 31 March 2025	£m	3	23.227	0.000	120.275	1,677.481	3,660.197	363.053	0.000	5,844.233
<b>Depreciation</b>										
At 1 April 2024	£m	3	-13.624	0.000	-44.473	-465.611	-1,078.905	-151.032	0.000	-1,753.645
Disposals	£m	3	0.000	0.000	0.695	3.031	14.671	5.304	0.000	23.701
Adjustments	£m	3	0.000	0.000	0.008	0.070	0.388	-0.466	0.000	0.000
Charge for year	£m	3	-0.238	0.000	-3.102	-37.534	-63.459	-9.437	0.000	-113.770
At 31 March 2025	£m	3	-13.862	0.000	-46.872	-500.044	-1,127.305	-155.631	0.000	-1,843.714
Net book amount at 31 March 2025	£m	3	9.365	0.000	73.403	1,177.437	2,532.892	207.422	0.000	4,000.519
Net book amount at 1 April 2024	£m	3	9.276	0.000	66.049	1,152.017	2,287.996	191.058	0.000	3,706.396
<b>Depreciation charge for year</b>										
Principal services	£m	3	-0.238	0.000	-3.102	-37.534	-63.459	-9.437	0.000	-113.770
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	£m	3	-0.238	0.000	-3.102	-37.534	-63.459	-9.437	0.000	-113.770

## Pro forma 2E

## Wessex Water

## Analysis of 'grants and contributions' for the 12 months ended 31 March 2025 - water resources, water network and wastewater network

Line description	Units	DPs	Fully recognised in income statement	Capitalised and amortised (in income statement)	Fully netted off capex	Total
<b>Grants and contributions - water resources</b>						
Diversions - s185	£m	3	0.000	0.000	0.000	0.000
Other contributions (price control)	£m	3	0.000	0.000	0.000	0.000
Price control grants and contributions	£m	3	0.000	0.000	0.000	0.000
Diversions - NRSWA	£m	3	0.000	0.000	0.000	0.000
Diversions - other non-price control	£m	3	0.000	0.000	0.000	0.000
Other contributions (non-price control)	£m	3	0.000	0.000	0.000	0.000
Total grants and contributions	£m	3	0.000	0.000	0.000	0.000
Value of adopted assets	£m	3	0.000	0.000		0.000
<b>Grants and contributions - water network+</b>						
Connection charges	£m	3	2.868	0.000	0.000	2.868
Infrastructure charge receipts – new connections	£m	3	0.000	1.078	0.000	1.078
Requisitioned mains	£m	3	0.000	1.199	0.000	1.199
Diversions - s185	£m	3	0.373	0.000	0.000	0.373
Other contributions (price control)	£m	3	0.000	3.233	0.000	3.233
Price control grants and contributions before deduction of income offset	£m	3	3.241	5.510	0.000	8.751
Income offset	£m	3	0.000	0.448	0.000	0.448
Price control grants and contributions after deduction of income offset	£m	3	3.241	5.062	0.000	8.303
Diversions - NRSWA	£m	3	0.895	0.000	0.000	0.895
Diversions - other non-price control	£m	3	0.000	0.000	0.000	0.000
Other contributions (non-price control)	£m	3	0.000	0.000	0.000	0.000
Total grants and contributions	£m	3	4.136	5.062	0.000	9.198
Value of adopted assets	£m	3	0.000	0.000		0.000
<b>Grants and contributions - wastewater network+</b>						
Receipts for on-site work	£m	3	0.626	3.427	0.000	4.053
Infrastructure charge receipts – new connections	£m	3	0.000	2.301	0.000	2.301
Diversions - s185	£m	3	0.320	0.000	0.000	0.320
Other contributions (price control)	£m	3	0.239	0.964	0.000	1.203
Price control grants and contributions before deduction of income offset	£m	3	1.185	6.692	0.000	7.877
Income offset	£m	3	0.000	0.363	0.000	0.363
Price control grants and contributions after deduction of income offset	£m	3	1.185	6.329	0.000	7.514
Diversions - NRSWA	£m	3	0.068	0.000	0.000	0.068
Diversions - other non-price control	£m	3	0.000	0.000	0.000	0.000
Other Contributions (non-price control)	£m	3	0.000	0.093	0.000	0.093
Total grants and contributions	£m	3	1.253	6.422	0.000	7.675
Value of adopted assets	£m	3	0.000	4.591		4.591
Line description	Units	DPs	Water resources	Water network+	Wastewater network+	Total
<b>Movements in capitalised grants and contributions</b>						
b/f	£m	3	0.000	73.680	133.039	206.719
Capitalised in year	£m	3	0.000	5.062	6.422	11.484
Amortisation (in income statement)	£m	3	0.000	-0.747	-1.500	-2.247
c/f	£m	3	0.000	77.995	137.961	215.956

## Pro forma 2F

### Wessex Water

#### Residential retail for the 12 months ended 31 March

Line description	Revenue	Number of customers	Average residential revenues
Units	£m	000s	£
DPs	3	3	3

<b>Residential revenue</b>			
Wholesale revenue	458.079		
Retail revenue	43.776		
Total residential revenue	501.855		

<b>Retail revenue</b>			
Revenue Recovered ("RR" )	43.776		
Revenue sacrifice	0.000		
Actual revenue (net)	43.776		

<b>Customer information</b>			
Actual customers ("AC" )		1,262.387	
Reforecast customers		1,270.148	

<b>Adjustment</b>			
Allowed revenue ("R" )	41.405		
Net adjustment	-2.371		

<b>Other residential information</b>			
Average household retail revenue per customer			34.677

## Section 1: Regulatory financial reportingPrice review and other segmental reporting

## Pro forma 2I

## Wessex Water

## Revenue analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Household	Non- household	Total	Water resources	Water network+	Total
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## Wholesale charge - water

Unmeasured	£m	3	52.490	1.278	53.768	6.038	47.730	53.768
Measured	£m	3	101.130	55.387	156.517	17.577	138.940	156.517
Third party revenue	£m	3	0.000	0.193	0.193	0.000	0.193	0.193
Total wholesale water revenue	£m	3	153.620	56.858	210.478	23.615	186.863	210.478

Line description	Units	DPs	Household	Non- household	Total	Wastewater network+	Bioresources	Total
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## Wholesale charge - wastewater

Unmeasured - foul charges	£m	3	87.825	1.024	88.849	80.349	8.500	88.849
Unmeasured - surface water charges	£m	3	8.105	0.146	8.251	7.462	0.789	8.251
Unmeasured - highway drainage charges	£m	3	8.282	0.156	8.438	7.631	0.807	8.438
Measured - foul charges	£m	3	157.481	56.445	213.926	193.460	20.466	213.926
Measured - surface water charges	£m	3	21.664	3.162	24.826	22.451	2.375	24.826
Measured - highway drainage charges	£m	3	21.102	3.264	24.366	22.035	2.331	24.366
Third party revenue	£m	3	0.000	0.419	0.419	0.419	0.000	0.419
Total wholesale wastewater revenue	£m	3	304.459	64.616	369.075	333.807	35.268	369.075

## Wholesale charge - Additional Control

Unmeasured	£m	3	0.000	0.000	0.000
Measured	£m	3	0.000	0.000	0.000
Total wholesale additional control revenue	£m	3	0.000	0.000	0.000

Wholesale Total	£m	3	458.079	121.474	579.553
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## Retail revenue

Unmeasured	£m	3	10.247	0.000	10.247
Measured	£m	3	33.529	0.000	33.529
Retail third party revenue	£m	3	0.000	0.000	0.000
Total retail revenue	£m	3	43.776	0.000	43.776

## Third party revenue - non-price control

Bulk supplies - water	£m	3			0.626
Bulk supplies - wastewater	£m	3			1.439
Other third-party revenue - non price control	£m	3			1.777

## Principal services - non-price control

Other appointed revenue	£m	3			0.802
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Total appointed revenue	£m	3			627.973
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## Pro forma 2J

## Wessex Water

## Infrastructure network reinforcement costs for the 12 months

Line description	Units	DPs	Network reinforcement capex	On site / site specific capex (memo only)
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## Wholesale water network+ (treated water distribution)

Distribution and trunk mains	£m	3	0.677	3.273
Pumping and storage facilities	£m	3	0.000	0.000
Other	£m	3	0.000	0.000
Total	£m	3	0.677	3.273

## Wholesale wastewater network+ (sewage collection)

Foul and combined systems	£m	3	7.177	0.849
Surface water only systems	£m	3	0.091	0.173
Pumping and storage facilities	£m	3	0.864	0.000
Other	£m	3	0.000	0.000
Total	£m	3	8.132	1.023

## Pro forma 2K

## Wessex Water

## Infrastructure charges reconciliation for the 12 months

Line description	Units	DPs	Water	Wastewater	Total
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## Impact of infrastructure charge discounts

Infrastructure charges	£m	3	1.078	2.301	3.379
Discounts applied to infrastructure charges	£m	3	0.000	0.000	0.000
Gross Infrastructure charges	£m	3	1.078	2.301	3.379

## Comparison of revenue and costs

Variance brought forward	£m	3	3.199	-13.034	-9.835
Revenue	£m	3	1.078	2.301	3.379
Costs	£m	3	-0.677	-8.132	-8.808
Variance carried forward	£m	3	3.600	-18.865	-15.264

## Pro forma 2L

## Wessex Water

## Analysis of land sales for the 12 months ended 31 March 2025

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Additional control	Total
Land sales – proceeds from disposals of protected	£m	3	0.000	0.021	0.000	0.000	0.021

## Pro forma 2M

## Wessex Water

## Revenue reconciliation for the 12 months ended 31 March 2025 - wholesale

Line description	Units	DPs	Water resources	Water network+	Wastewater network+	Bioresources	Additional Control	Total
<b>Revenue recognised</b>								
Wholesale revenue governed by price control	£m	3	23.615	186.863	333.807	35.268	0.000	579.553
Grants & contributions (price control)	£m	3	0.000	8.303	7.514	0.000	0.000	15.817
Total revenue governed by wholesale price control	£m	3	23.615	195.166	341.321	35.268	0.000	595.370
<b>Calculation of the revenue cap</b>								
Allowed wholesale revenue before adjustments (or modified by CMA)	£m	3	23.514	184.788	312.016	38.738	0.000	559.056
Allowed grants & contributions before adjustments (or modified by CMA)	£m	3	0.000	6.508	12.707	0.000	0.000	19.215
Revenue adjustment	£m	3	0.467	5.152	10.846	-3.965	0.000	12.500
Other adjustments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Revenue cap	£m	3	23.981	196.448	335.569	34.773	0.000	590.771
<b>Calculation of the revenue imbalance</b>								
Revenue cap	£m	3	23.981	196.448	335.569	34.773	0.000	590.771
Revenue Recovered	£m	3	23.615	195.166	341.321	35.268	0.000	595.370
Revenue imbalance	£m	3	0.366	1.282	-5.752	-0.495	0.000	-4.599

## Pro forma 2N

## Wessex Water

## Household affordability support

Line description	Revenue	Number of customers	Average amount per customer
Units	£'000	number	£
DPs	3	3	3

## Section A - social tariffs

## Number of residential customers on social tariffs

Residential water only social tariffs customers	867
Residential wastewater only social tariffs customers	34,770
Residential dual service social tariffs customers	28,770

## Number of residential customers not on social tariffs

Residential water only no social tariffs customers	41,239
Residential wastewater only no social tariffs customers	639,337
Residential dual service no social tariffs customers	517,404

## Social tariff discount

Average discount per water only social tariffs customer	99.749
Average discount per wastewater only social tariffs customer	147.060
Average discount per dual service social tariffs customer	270.359

## Social tariff cross-subsidy - residential customers

Total customer funded cross-subsidies for water only social tariffs customers	86.482
Total customer funded cross-subsidies for wastewater only social tariffs customers	5,113.259
Total customer funded cross-subsidies for dual service social tariffs customers	7,778.239
Average customer funded cross-subsidy per water only social tariffs customer	2.054
Average customer funded cross-subsidy per wastewater only social tariffs customer	7.585

## Section 1: Regulatory financial reportingPrice review and other segmental reporting

Average customer funded cross-subsidy per dual service social tariffs customer			14.241
<b>Social tariff cross-subsidy - company</b>			
Total revenue forgone by company to fund cross-subsidies for water only social tariffs customers	0.000		
Total revenue forgone by company to fund cross-subsidies for wastewater only social tariffs customers	0.000		
Total revenue forgone by company to fund cross-subsidies for dual service social tariffs customers	0.000		
Average revenue forgone by company to fund cross-subsidy per water only social tariffs customer			0.000
Average revenue forgone by company to fund cross-subsidy per wastewater only social tariffs customer			0.000
Average revenue forgone by company to fund cross-subsidy per dual service social tariffs customer			0.000
<b>Social tariff support - willingness to pay</b>			
Level of support for social tariff customers reflected in business plan			9.331
Maximum contribution to social tariffs supported by customer engagement			8.445
<b>Section B - Water Sure tariffs</b>			
<b>WaterSure tariffs</b>			
Number of unique customers on WaterSure		9,861.000	
Total reduction in bills for WaterSure customers	3,095.118		
Average reduction in bills for WaterSure customers			313.875

### Pro forma 20

#### Wessex Water

#### Historic cost analysis of intangible fixed assets

Line description	Units	DPs	Residential Retail	Business Retail	Water Resources	Water Network+	Wastewater Network+	Bioresources	Additional Control	Total
<b>Cost</b>										
At 1 April 2024	£m	3	22.134	0.000	3.255	23.364	47.055	4.447	0.000	100.255
Disposals	£m	3	0.000	0.000	-0.036	-0.303	-1.252	-0.123	0.000	-1.714
Additions	£m	3	0.077	0.000	0.213	3.950	5.404	0.867	0.000	10.511
Adjustments	£m	3	-12.477	0.000	-0.487	-3.809	4.876	-0.783	0.000	-12.680
Assets adopted at nil cost	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
At 31 March 2025	£m	3	9.734	0.000	2.945	23.202	56.083	4.408	0.000	96.372
<b>Amortisation</b>										
At 1 April 2024	£m	3	-8.090	0.000	-1.910	-14.379	-28.324	-3.254	0.000	-55.957
Disposals	£m	3	0.000	0.000	0.026	0.219	1.021	0.090	0.000	1.356
Adjustments	£m	3	0.000	0.000	0.104	0.675	-0.946	0.167	0.000	0.000
Charge for year	£m	3	-0.461	0.000	-0.227	-2.223	-6.980	-0.612	0.000	-10.503
At 31 March 2025	£m	3	-8.551	0.000	-2.007	-15.708	-35.229	-3.609	0.000	-65.104
Net book amount at 31 March	£m	3	1.183	0.000	0.938	7.494	20.854	0.799	0.000	31.268
Net book amount at 1 April 2024	£m	3	14.044	0.000	1.345	8.985	18.731	1.193	0.000	44.298
<b>Amortisation for year</b>										
Principal services	£m	3	-0.461	0.000	-0.227	-2.223	-6.980	-0.612	0.000	-10.503
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	£m	3	-0.461	0.000	-0.227	-2.223	-6.980	-0.612	0.000	-10.503

# Section 3: Performance summary

## Outcomes

2024-25 was a challenging year with several named storms, significant high levels of rainfall, and robust public and media scrutiny. We met 30 out of the 46 Performance Commitments set for us in 2024-25.

Customer service is at the heart of what we do and again we saw leading performance in C-MeX and exceeded all our affordability, priority services and vulnerable circumstances targets. Our value for money score increased but did not meet target in line with the wider loss in trust in the water industry. We continued to receive excellent Trustpilot scores from the customers who have interacted with us.

Our customers rightly expect us to have a positive impact on the environment and despite being the first year we had zero serious pollutions, we were disappointed to have had an increase in the number of less severe pollution incidents. Consequently, we will be classified as a 2-star company in the EPA despite all other 6 metrics being met. Our focus continues on storm overflows and having met all AMP7 requirements, we continue with our investment programme to tackle storm overflow spills, using nature-based solutions where we can, and to lobby for improved solutions.

Although we did not meet the customer contacts about water quality target, we saw a further reduction in the overall number of contacts about appearance or discolouration.

We continue to focus on health and safety and our employees. The staff survey produced extremely positive results to the company's commitment to health and safety and inclusion and diversity.

### Summary of performance

Category	Target met or exceeded	Target not met - within deadband	Target not met	No target	Totals
Common PCs	7	2	4	2	15
Bespoke PCs	23		8		31
Totals	30	2	12	2	46

Most notably, we did not meet targets for six of the 15 common PCs in 2024-25.

Two were within dead bands and did not incur any underperformance payments – Water quality compliance (CRI) and Treatment works compliance.

The remaining four common PCs not meeting target:

**Leakage** – 2024-25 has seen a reduction in the in-year Leakage figure in comparison to 2023-24, but the rolling three-year average used to calculate the percentage reduction performance has again this year been impacted by the significant leakage breakouts in 2022-23. As a result, the percentage reduction target has not been achieved.

**Water supply interruptions** – we were disappointed to exceed target in the final year of the AMP with two significant events in November 2024 contributing more than the target minutes to our overall performance. One incident in Poole as a result of third-party damage. We will continue to make incremental improvements alongside asset investment.

**Pollution incidents** – self-reporting levels remain very high, and we are pleased to have reported no serious pollutions (category 1 or 2 incidents) in 2024. However, we saw a further increase in the number of

### Section 3: Performance summary

pollutions of a less serious nature (category 3 incidents) reported as a result of the continued wet weather, the impact of named storms on operability as well as the identification of additional incidents through increased monitoring.

**Internal sewer floodings** – with the continuation of the wet weather seen in 2023-24 we have not met our target again in 2024-25. We continue to work in hotspot areas and engage customers to prevent the misuse of sewers and works towards reducing blockages that impede flows.

## Outcome: Affordable bills

The four PCs that make up our affordable bills' outcome are all bespoke commitments.

Ensuring effective billing of all properties in our region leads to fairer charging and lower bills for customers already being billed.

Supporting low-income customers and making charges more affordable for them has never been more important as we continue to see pressure on budgets for households.

We are pleased to have met all four PCs that contribute towards our commitment to make bills as affordable as possible.

A1– BILL REDUCTION TO CUSTOMERS ON SOCIAL TARIFFS (£ total per year)		
TARGET 24/25 87,029	ACTUAL 24/25 102,805	PREVIOUS YEAR 76,567

It has been our strongest year of this AMP for social tariff growth, mainly due to our efforts to support customers through our main social tariff, Assist, where customer growth has exceeded targets. WaterSure, our tariff for low-income families on a meter, who use extra water in support of a medical condition also had a large turnaround, and our Discount for low-income pensioners continued to grow well.

In exceeding the target this year, we earned an outperformance payment of £173,536.

A2 – SUCCESSFUL APPLICATIONS FOR FINANCIAL ASSISTANCE (nr)		
TARGET 24/25 2,300	ACTUAL 24/25 2,935	PREVIOUS YEAR 2,732

With bill increases over the last couple of years, more customers have had to seek support. As a result, we have seen an upturn in the general volume of applications from our debt advice partners and consequently an uplift in the number of customers being added to our affordability schemes. Our vulnerability strategy report – Every Customer Matters – can be found on our website.

The incentive for this PC is reputational.

A3 – VOID SITES (% of households)		
TARGET 24/25 2.00	ACTUAL 24/25 1.65	PREVIOUS YEAR 1.59

Section 3: Performance summary

Void sites are connected to the water supply but not currently billed, either because they are unoccupied or due to data issues. The metric is designed to ensure that all customers are charged fairly for their usage. The number of household properties classified as void saw a slight increase in 2024-25 but well within the target.

Usual working practices to reduce void sites include:

- Review of the council tax database for properties that are reported as demolished,
- Land Registry searches to identify owners of void properties with consumption >10m<sup>3</sup> and the issue of bills to owners,
- Void visits and the introduction of void profiling to select the most effective void strategy by postcode area,
- Utilisation of a void tracing tool provided by Transunion (Callcredit) which provides occupier details for submitted properties, and
- Correct classification of ‘properties’ that are not actually capable of being inhabited.

Our performance in 2024-25 earned us an outperformance payment of £675,850.

A4- GAP SITES (nr)		
TARGET 24/25 112	ACTUAL 24/25 222	PREVIOUS YEAR 54

Following on from work started last year in collaboration with a cross-border wholesaler we identified a number of properties that were not being billed for services received. Other initiatives were undertaken in the year, including a data assurance project. These resulted in a further increase in gap sites that needed to be added to our billing system.

In exceeding the target in 2024-25 we earned an outperformance payment of £15,950.

Outcome: Excellent service for customers

Two of the three PCs – C-MeX and D-MeX – are common metrics for the industry.

Our customers and communities are at the heart of our business, and we aspire to excellent customer service and continuous improvement.

X1 – C-MEX (customer measure of experience)		
TARGET 24/25 -	ACTUAL 24/25 79.71	PREVIOUS YEAR 81.77

C-MeX is Ofwat’s lead satisfaction measure for household customers.

In 2024-25, we came second of all 17 water companies and second of the water and sewerage companies.

X2 – D-MEX (developer measure of experience)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
-	90.00	90.21

D-MeX is a measure of developer services customer satisfaction. In 2024-25 we were placed seventh of the 17 companies and the fifth major water and sewerage company, maintaining our position last year.

Both measures of experience PCs have a financial incentive and Ofwat will determine our out/underperformance payment based on comparative industry performance.

X3 – VALUE FOR MONEY (%)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
84	72	67

We were pleased to record an increase in our Value for money score from 2023-24 but we did not meet our target again in 2024-25.

Ofwat's Cost of living: wave six – water customers' experiences report, recognises the industry-wide fall in bill payers' trust in recent years.

This PC has a reputational incentive.

## Outcome: Better relationships with customers and communities

Priority services for customers in vulnerable circumstances is a common metric across the industry to ensure minimum standards for all companies for the number of households registered on the Priority Services Register (PSR), and for continuous review of data held.

The PC measures the PSR reach, the percentage of households where contact has been attempted over a two-year period and the percentage where contact has been successful in that period. The incentive is reputational.

C1 - PRIORITY SERVICES FOR CUSTOMERS (%)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
7.0	12.1	9.1

We have increased the number of households on our Priority Services Register by 34% in 2024-25, largely through delivery of the various initiatives set out in Every Customer Matters, our vulnerability strategy; the two-way data share we had in place with energy DNOs and Dorset and Wiltshire Fire Service; and through streamlining processes for sign-ups by our colleagues over the phone and while out visiting customers' homes.



C1 - PSR ATTEMPTED CONTACT IN 2 YEARS (%)		
<b>TARGET 24/25</b> 90.0	<b>ACTUAL 24/25</b> 97.3	<b>PREVIOUS YEAR</b> 98.2

C1 - PSR MADE CONTACT WITHIN 2 YEARS (%)		
<b>TARGET 24/25</b> 35.0	<b>ACTUAL 24/25</b> 64.5	<b>PREVIOUS YEAR</b> 58.5

Companies need to keep their Priority Services Register up to date so it accurately reflects the needs of customers through regular contact with those customers who have been on the register for two years or more. We have also exceeded the target for these two elements with 97.3% attempted contact with customers, and 64.5% actual contact versus the targets of 90% and 35% respectively.

C2 – DELIVERING FOR CUSTOMERS IN VULNERABLE CIRCUMSTANCES		
<b>TARGET 24/25</b> Maintain	<b>ACTUAL 24/25</b> Maintained	<b>PREVIOUS YEAR</b> Maintained

As of 31 March 2025, we have a certification of compliance for both the British Standard for Inclusive Service Provision (BS18477) and the Customer Service Excellence Award. The incentive is reputational.

The auditor of BS18477 stated: “From the interviews with staff, documentation and processes sampled, the company showed ongoing high levels of training, communication, continuous improvement and implementation of the requirements, reaching wider parts of the business and their customer base.”

The auditor for the Customer Service Excellence award summarised that: “Wessex Water continues to show its commitment to excellent customer service, continuous improvement, and a truly customer-centric culture.”

C3 – CHILDREN/STUDENTS ENGAGED (nr)		
<b>TARGET 24/25</b> 24,370	<b>ACTUAL 24/25</b> 12,065	<b>PREVIOUS YEAR</b> 14,697

The original target for this PC was based on figures that included assemblies and other public engagements. The definition of the Performance Commitment states that we can only count students up to the age of 18 and groups of up to 30 with a minimum of 20 minutes engagement. It is, therefore, not possible to meet the annual target of 24,370.

Informing and inspiring our next generation of customers continues to be a priority.

Our score has decreased this year to meet the requirement to exclude children (year groups) that have previously been engaged.



The incentive is financial with an underperformance payment of £49,220.

## Outcome: Efficient use of water

Ensuring that water is used as efficiently as possible is key to protecting supplies and resources for the long term, whether through ensuring leakage in our network is limited or encouraging and working with our customers to reduce consumption.

Reducing Leakage and Per capita consumption are both common PCs for the industry.

W1 – LEAKAGE (% reduction on baseline)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
12.8	4.5	7.1

2024-25 has seen a reduction in the in-year Leakage figure in comparison to 2023-24, but the rolling three-year average used to calculate the percentage reduction performance has again this year been impacted by the significant leakage breakouts in 2022-23. As a result, the percentage reduction target has not been achieved.

We reduced in-year leakage across 2024-25, continuing recovery from the severe network response suffered in 2022-23.

We did experience an extended period of winter leakage breakout in early January 2025. Levels were steadily driven lower through a number of initiatives including pressure maintenance helping to provide system protection and operational reliability; 24/7 standby response for larger leaks, and canine leak detection services. This recovery was aided by achieving our lowest ever position for the number of open leak repair jobs.

The incentive is financial, and we incurred an underperformance payment of £2,013,000.

W2 – PER CAPITA CONSUMPTION (% reduction on baseline)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0.9	3.4	0.0

In 2024-25, it was discovered that there was an error in the historic calculation of total supply resident population. We have recalculated historic population and thus derived a revised outturn performance profile incorporating the corrected population data.

2024-25 has seen a reduction in the in-year PCC in comparison to 2023-24 and is now at the lowest level, 131.1 litres/person/day, since 2017-18. The relatively consistent in-year figures in 2023-24 and 2024-25 appears to be an indicator of the 'new normal' behavioural changes following a few years of instability resulting from the Covid-19 pandemic and the cost-of-living crisis.

We have outperformed the target this year using both the originally reported historic PCC and the revised performance profile.

The incentive is financial, but an end of AMP payment. Ofwat have indicated that there will be an adjustment to all companies' performance as a result of the impacts of the covid pandemic.

W3 – CUSTOMER REPORTED LEAKS FIXED IN A DAY (%)		
TARGET 24/25 90	ACTUAL 24/25 90	PREVIOUS YEAR 91

We achieved our target for customer reported significant leak fixed within a day in 2024-25 and are pleased to have achieved this target every year of the AMP.

The incentive is financial, but for underperformance or outperformance only.

W4 – WATER SAVED BY WATER EFFICIENCY (MI/d)		
TARGET 24/25 5.0	ACTUAL 24/25 6.1	PREVIOUS YEAR 4.9

In 2024-25 we delivered 1.16 MI/d of water efficiency savings, largely through the continuation of the Home Check programme, non-household visits and educational visits to schools. We saw reduced savings from GetWaterFit sign-ups and water butt savings as we did not run any promotions. However, toward the end of the year, we did see an increased uptake due to bill increases and pieces in the media about how customers can save water.

The incentive for this PC is reputational.

## Outcome: Excellent drinking water quality

We treat our water to very high standards to make sure we always provide clean, safe drinking water to our customers and to visitors to our region.

Our continuous improvement approach focuses on improving our treatment centres, reservoirs, and network, and working with our customers to make improvements in their homes and workplaces where needed.

Q1 – WATER QUALITY COMPLIANCE SCORE (CRI)		
TARGET 2024 0.00	ACTUAL 2024 1.31	PREVIOUS YEAR 0.93

This PC is common across the industry. We did not meet the target of zero but again our performance fell within the deadband and so no underperformance payment was incurred.

Two failures contributed almost two thirds of our score in 2024. In the Maundown area sediment disturbance following a burst main impacted supplies and a failure at our Heytesbury WTC was due to sample contamination as a result of poor hygiene. Action has been taken to reinforce the importance of high levels of cleanliness.

Q2- WATER QUALITY CUSTOMER CONTACTS (nr/1000 pop)		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
0.93	1.07	1.04

In 2024 we received a total of 1,453 water quality customer contacts - a rate of 1.07 contacts per 1,000 population. We did see a reduction in the number of appearance contacts received from 2023 to 2024, however, taste and odour contacts increased, in particular in May 2024, and the subsequent few months. This followed a large-scale water quality event in one of our neighbouring water companies. We believe that this caused a reduction in confidence in the water supply generally, and an increase in contacts.

The associated incentive for this bespoke PC is financial and we incurred an underperformance payment of £84,420 based on the missed target.

Q3 – TACKLING WATER QUALITY IN HOMES/WORKPLACES (visits)		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
18,297	20,778	20,579

2024 saw another slight improvement on last year's performance with an increase in the number of lead pipe replacements, a continuation of our work last year with national companies with sites in our region and a targeted focus on festivals and events, and camping and caravan sites to ensure a sufficient and safe supply of drinking water.

The incentive is financial and a reward of £27,291 was earned as a result.

Q4 – LEAD SERVICE PIPES REPLACED (nr/year)		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
2,210	2,152	2,219

Although we have not met our target for the year, with over delivery in previous years we are pleased to have marginally exceeded our commitment to deliver 9,000 replacements in the five-year AMP.

The incentive is financial, and we incurred an underperformance payment of £34,800 based on our in-year performance.

Q5 – EVENT RISK INDEX SCORE (ERI)		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
12.800	69.339	23.678

Our provisional Event Risk Index score for 2024 is 69.339, against a target of 12.800. The incentive is reputational.

### Section 3: Performance summary

There were no major or serious ERI events, although we have seen an increase in events and our score, which highlights the volatility and unpredictability of this index.

Two high-scoring events related to burst mains which affected relatively large numbers of customers.

## Outcome: Minimising sewer flooding

As part of our business planning process customers identified the reduction of sewer flooding as a key priority.

F1 – INTERNAL SEWER FLOODINGS (nr/10,000 sewer connections)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
1.34	1.56	1.56

This is a common PC across the industry.

For the UK, 2024 was the eighth wettest on record since 1836. September saw areas record more than 200% of the average monthly rainfall, with the largest number of internal sewer flooding incidents recorded in-month (38) since December 2013 (39). Numbers of incidents recorded are similar to last year, following the wet weather then.

We continue to work proactively to discourage sewer misuse to prevent blockages that impede flows through fats, oils and grease traps at both commercial and domestic properties, sewer jetting and monitoring. In addition, we engage with communities to explain the impacts and risks associated with sewer misuse.

The incentive is financial, and we incurred an underperformance payment of £1,251,800.

F2 – EXTERNAL SEWER FLOODINGS (nr/10,000 sewer connections)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
15.68	17.11	18.52

In spite of the continued wet weather in the year, the rate of external sewer floodings is c.7% lower than last year. Capacity during periods of heavy rainfall continued to be an issue with 211 incidents reported as due to inadequate capacity compared to the six-year average prior to 2023-24 of 113.

In missing the target rate, we have incurred an underperformance payment of £1,144,000.

F3 – SEWER FLOODING RISK (index score)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
50,651	64,962	60,429

### Section 3: Performance summary

2024-25 saw above average rainfall, following an extremely wet year in 2023-24. The ground conditions had not recovered, remaining saturated, meaning that even short duration storms had greater impact. An increase in flooding incidents resulting in an increase in risk score.

Our score includes properties with restricted toilet use, while this is not strictly in accordance with the reporting definition i.e., flooding should relate either to actual flooding at a property or where there is evidence of flooding at nearby properties, it does recognise the impact on those customers where use of their toilet would result in flooding.

The incentive is financial, and we incurred an underperformance payment of £1,664,280.

F4 – DELIVER NORTH BRISTOL SEWER (months delay)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
-	-	0

The North Bristol Trym sewer scheme was completed ahead of the March 2023 target and therefore there are no further deliverables for this performance commitment.

## Outcome: Resilient Services

This outcome seeks to ensure we deliver secure and reliable water and wastewater services. We have again met or exceeded eight of the nine PC targets this year.

R1 – WATER SUPPLY INTERRUPTIONS (mins:secs/prop/year)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
05:00	10:00	05:35

This is a common PC across the industry.

We were disappointed to exceed target in the final year of the AMP with two significant events in November 2024 contributing more than the target minutes to our overall performance. One incident in Poole as a result of third-party damage.

The incentive is financial, and we incurred an underperformance payment of £700,260.

R2 – POP AT RISK OF RESTRICTIONS IN A DROUGHT (%)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	0	0

This reputational PC is common across the industry.

The forecast balance between supply and demand for water, used to determine our resilience in a drought, shows that there is a low risk to our water supply customers, as there is a surplus under both normal year and dry year scenarios.

R3 – POP AT RISK OF SEWER FLOODING IN A STORM (%)		
<b>TARGET 24/25</b> <b>8.37</b>	<b>ACTUAL 24/25</b> <b>7.98</b>	<b>PREVIOUS YEAR</b> <b>7.98</b>

This reputational PC is common across the industry.

This metric is calculated in line with Ofwat's guidance to indicate the percentage of the population at risk of sewer flooding in a storm. This PC reflects a modelled view of the risk, benefiting from improved modelling coverage as a result of our work on the Drainage and Wastewater modelling plan. There has been no change from last year.

R4 – BURST MAIN REPAIRS (nr/1,000 km of mains)		
<b>TARGET 24/25</b> <b>152.4</b>	<b>ACTUAL 24/25</b> <b>121.7</b>	<b>PREVIOUS YEAR</b> <b>127.3</b>

This is a common PC across the industry.

The number of repairs has varied considerably over the last few years with higher numbers in 2020-21 and 2022-23 primarily due to leakage arising from ground movement due to cold weather events, and ground shrinkage during dry summer events.

In 2024-25 the number of repairs was slightly lower than 2023-24 mainly due to the relatively benign weather conditions.

The incentive is financial but with underperformance payments only incurred.

R5 – UNPLANNED OUTAGE (%)		
<b>TARGET 24/25</b> <b>2.34</b>	<b>ACTUAL 24/25</b> <b>2.00</b>	<b>PREVIOUS YEAR</b> <b>1.53</b>

This PC is common across the industry.

Our unplanned outage performance for 2024-25 was an increase on 2023-24 but still below the PC target of 2.34%. The increase was largely driven by our operational nitrate treatment sites operating at higher load and resulting in higher unplanned outages with sites running at maximum for nitrate levels, driven by a very high rainfall year and a pattern of short-lived heavy rainfall events.

The incentive associated with this PC is financial but underperformance only.

R6 – SEWER COLLAPSES (nr/1000km sewer)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
6.33	5.00	5.55

This is a common PC across the industry.

Despite the continued wet weather in the year, our numbers have decreased. We have doubled our investment in rising main replacement in the AMP and we have seen a reduction in the number of repeat burst rising mains.

The incentive associated with this PC is financial but underperformance payment only.

R7 – RESTRICTIONS ON WATER USE (nr events)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	0	0

It is now 49 years since a hosepipe ban was last imposed in the region in 1976. We do not expect to implement hosepipe bans in 2025-26 based on an average rainfall scenario.

The incentive associated with this PC is financial but underperformance payment only.

R8 – SECURITY NON-SEMD OUTPUTS (months delayed)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	0	0

This bespoke performance commitment has ensured enhancement to customer protection through implementation of improved cyber security measures.

There were seven discrete deliverables over the course of AMP7, and the PC measures the months any of the security deliverables were delivered late.

The last 3 projects were completed in 2024-25 delivering additional security zones to prevent any wider impact should a site suffer an Information Security incident; a comprehensive framework governing the management of user access controls and migration from analogue PSTN based telemetry to digital internet protocol (IP) methods.

This is a financial incentive PC, but underperformance payment only.

DWMP – DRAINAGE & WASTEWATER MGT PLANS (%)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
100	100	100

This performance commitment was set to ensure we produce our first cycle Drainage and Wastewater Management Plan (DWMP). The DWMP was published on our website on 31 May 2023. The incentive associated with this commitment is reputational.

## Outcome: Protecting and enhancing the environment

Our pledge to protect and enhance the natural environment in our region is the main objective of the following PCs. We look constantly to minimise our impact on the environment through careful water abstraction from rivers and lakes, and mindful disposal of wastewater products.

E1 – TREATMENT WORKS COMPLIANCE (%) *		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
100.0	99.7	99.0

This PC is common across the industry. We did not meet the target of 100% but again our performance fell within the deadband and so no underperformance payment was incurred.

2024 saw improved compliance performance with just one numeric failure recorded compared to three in 2023.

Our investigation of failures and continuous improvement approach as well as site specific investment has seen us perform strongly in the Environment Agency's Environmental Performance Assessment, meeting target for the last five years in a sector seen by the EA as "not improving".

E2 – POLLUTION INCIDENTS (nr/10,000km sewer) *		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
19.50	62.10	36.06

This is a common PC across the industry.

We have again seen an increase in the number of pollution events reported at monitored assets such as sewage pumping stations (SPS) and Water Recycling Centres (WRC). This has in part been attributed to the increase in Event Duration Monitoring (EDM) at these assets, identifying discharges of which we were previously unaware.

In addition to increased monitoring, the increase in events reported in 2024 is largely attributed to the weather conditions experienced and the continuation of the extreme wet weather at the end of 2023. The region felt the effects of seven named storms in 2024 which brought with them above average rainfall and record-breaking wind speeds, leading to power outages which severely impacted our operability.

The associated incentive is financial and an underperformance payment of £23.474m was incurred.



E3 – AIM: MERE (MI/year)		
TARGET 24/25 -100	ACTUAL 24/25 -136	PREVIOUS YEAR -142

The abstraction incentive mechanism (AIM) reduces abstraction of water at Mere, an environmentally sensitive site, when the flow or levels are below an agreed point, or trigger.

The wetter weather in 2024-25, similar to 2023-24, saw performance at comparable levels in terms of MI/year and days under AIM restrictions (61 days in 2023-24, 62 days in 2024-25).

The incentive is financial, and we earned an outperformance payment of £972 as a result.

E4 – IMPROVE SSSI SITES (%)		
TARGET 24/25 100	ACTUAL 24/25 100	PREVIOUS YEAR 82

The actions agreed with Natural England on the master list for the five-year period are intended to improve the condition of SSSIs which are part of our landholding.

This is a cumulative measure and relates to the percentage of actions delivered over the AMP. We are pleased to have delivered all agreed actions.

The incentive is financial, with no under or outperformance payment as we met target.

E5 – GREENHOUSE GAS EMISSIONS (ktCO <sub>2</sub> e/year)		
TARGET 24/25 101	ACTUAL 24/25 96	PREVIOUS YEAR 105

Although rainfall in the year was above the long-term average, it was lower than in 2023-24. As a result, electricity consumption from sewerage pumping and treatment was lower compared to 2023-24. This was partially offset by an increase in the use of heavy goods vehicles used to transport sludge, arising from increased liming and associated reduction in anaerobic digestion of biosolids.

The associated incentive is financial with payment on underperformance only.

E6 - WORKING WITH COMMUNITIES TO IMPROVE BATHING WATER EXPERIENCE (nr beaches)		
TARGET 24/25 47	ACTUAL 24/25 54	PREVIOUS YEAR 44

This year we have contributed to projects at ten additional bathing waters – taking the total at the end of the five-year period to 54 beaches improved.

The incentive associated with this PC is financial and we received an outperformance payment of £4,900.

E7 – WORKING WITH CATCHMENT PARTNERS TO IMPROVE NATURAL CAPITAL (nr projects)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
37	42	42

The Catchment Panel agreed that 42 projects had been supported in 2024. The projects include catchment delivery through WINEP and non-WINEP schemes, Biodiversity Action Plan partners programme, catchment partnerships and co-funded projects.

The incentive associated with this performance commitment is financial and we earned an outperformance payment of £16,500 as a result.

E8 – SATISFACTORY SLUDGE DISPOSAL COMPLIANCE (%)		
TARGET 2024	ACTUAL 2024	PREVIOUS YEAR
100.00	100.00	100.00

For 2024, satisfactory sludge disposal has remained at 100%, the same as in 2023, 2022 and 2021, with 99.54% reported in 2020. The incentive is financial, but underperformance payment only.

E9 – REDUCE FREQUENT SPILLING OVERFLOWS (non WINEP) (nr)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	0	0

No schemes to reduce frequent spilling sewer overflows (FSO) outside the WINEP were due in 2024-25 and none delivered. The incentive is financial, underperformance payment only.

With the challenging economic climate over the last five years, we didn't deliver any sites over and above the WINEP requirements in AMP7.

In 2024-25 we completed a further 10 Frequent Spilling Overflow (FSO) investigations, required under the Storm Overflow Assessment Framework (SOAF) and the WINEP. The WINEP contained a total of 54 investigations, all of which have been completed.

NEP01 – DELIVERY OF WINEP		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
Met	Met	Met

We met all our Water Industry National Environment Programme (WINEP) obligations in 2024-25. Delivering 205 outputs from investigations to inform future enhancements in PR24; long-term monitoring of flows/spills; to actions to prevent deterioration or make improvements in flow and storm capacities. The incentive for this PC is reputational.

E10 – KM OF RIVER WITH IMPROVED WATER QUALITY (WINEP)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
399.9	397.0	170.7

Thirty-two schemes were delivered by the end of 2024-25, bringing the total to 397.0km of rivers with improved health and aesthetics in the AMP.

A phosphorus scheme at Ubley STW has been delayed. The scheme has a new agreed completion date of 22<sup>nd</sup> December 2026 in the live WINEP with approval for the new regulatory date with the Environment Agency. As this PC relates to the WINEP as at 31<sup>st</sup> March 2019, we have missed our target by the associated 2.9km length.

The associated incentive is financial, and we incurred an underperformance payment of £49,300.

E11 – LENGTH OF RIVER IMPROVED (non-WINEP) (km)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	28.8	40.6

In the calendar year 2024, 56.4 tonnes of nitrogen was saved on Poole Harbour, which equates to a length of river improved of 28.8km, as per the agreed methodology.

The incentive is financial, and the company earned an outperformance payment of £288,000 as a result.

E12 – AIM: STUBHAMPTON (MI/year)		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
-45	-111	-140

Overall, Stubhampton was restricted under AIM for 165 days in 2024-25. Five days less than in 2023-24 due to the similar wet weather.

The incentive is financial, and the company earned an outperformance payment of £1,386 as a result.

E13 – AVONMOUTH STW WINEP REQUIREMENTS		
TARGET 24/25	ACTUAL 24/25	PREVIOUS YEAR
0	0	0

The EA agreed on 28 July 2022 to amend the completion date of the Avonmouth STW requirements in the WINEP to 31 March 2028, to provide additional Full Flow to Treatment (FFT) capacity to bring forward the AMP8/9 Dry Weather Flow (DWF) increase scheme.

As the PC relates to the live WINEP, there is no deliverable now due this AMP.

## Common performance measures

For the common PCs below, companies are required to submit RAG compliance checklists (or a statement that the company is fully compliant where this was the case) with their 2024-25 APRs as evidence of compliance with the common methodology for:

- leakage
- per capita consumption (PCC)
- unplanned outage
- mains repairs
- water supply interruptions
- internal sewer flooding and
- sewer collapses.

We are fully compliant with the reporting guidance and are green in all respects for mains repairs, water supply interruptions, and internal sewer flooding common PCs.

There are just six elements in leakage, PCC, unplanned outage and sewer collapses where we are not compliant as detailed below.

### Leakage

S	Component / Element	Element R/A/G	Reason for any non-compliant components / Comments	Confidence grade
11f	Flow checks are carried out on DI meters consistent with the principles of the document 'EA Abstraction Good Metering Guide' and in particular the frequency of flow checking defined in Table 6.2 of the EA guide	A	Most of our distribution input meters are electromagnetic and subject to satisfactory meter verification every two years. However, a small number of our meters are mechanical meters, and we currently do not undertake meter verification of our mechanical meters. We have plans in place to introduce a rolling programme of flow verifications on our abstraction and DI meters.	A2
12d	Meter under-registration is applied consistent with own estimates. Evidence of MUR available especially for MUR above 3%	A	Our average MUR figures for 2024-25 are greater than the Ofwat guidance values. We are aware of the PR24 updated guidance for MUR. We are undertaking a detailed review of our current approach in readiness for this change and will consider options and assess alternative approaches. We have updated this assessment to Amber until we conclude the review and determine future steps.	B2

### Section 3: Performance summary

13c	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole; Valid data available from at least 80% of monitors as an annual average  Measure	A	Survey is representative as the sample closely matches the company's distribution of acorn categories (distribution of affluence) in the HH metered data. This component is Amber due to the availability of valid data being below 80% as an annual average. Improvement work has focused on improving the percentage of valid data, but also assessing the robustness of our sample size in terms of being representative of the company.	B2
16e	Water balance discrepancy  <2% = G  >2% and <3% = A  >3% = R	R	Water Balance gap in 2024-25 has risen above 3%. Due to the historic water balance gap trend and in anticipation of a water balance gap around 3% again, we carried out multiple water balance review and improvement projects in the 2024-25 reporting year. These will help to reduce uncertainty and will also improve our overall water balance in the coming years.	B2

### Per capita consumption

S	Component / Element	Element R/A/G	Reason for any non- compliant components / Comments	Confidence grade
4c	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole; Valid data available from at least 80% of monitors as an annual average  Measure	A	As Leakage 13c above	B2

**Unplanned outage**

S	Component	Compliant (R/A/G)	Reason for any non-compliant components	Confidence grade
1c	PWPC by production site	A	A review of PWPC has been undertaken and PWPC has been updated following max flow trials. The confidence band has therefore remained at B2. Recognition for four sites that max trials can't be undertaken due to being demand driven, so proven instantaneous rates used.	B2

**Sewer collapses**

1	Number of collapses	A	The number of collapses is based on information from the original job cards that are raised by the Sewerage Customer Service Technician (CST) with additional supplementary questions. Where there is any element of doubt to the underlying reason for why works on the sewerage system have been raised, the CSTs are asked for clarification. If there is still an element of doubt, these are recorded as unknowns and are included in the reportable number.	B3

An IT process improvement is being proposed as part of the companies move to Microsoft Dynamics that will be able to incorporate clarifying questions to the electronic job card for when sewer repairs are raised.

These non-compliances do not have any material impact on the reported performance

### Pro forma 3A

Wessex Water Services Ltd 71

## Section 3: Performance summary

### Pro forma 3B

Outcome performance - Wastewater performance commitments (financial)							Wessex
	1	2	2a	4	5	6	7
Line description	Unique reference	Unit	Decimal places	Performance level - actual	PCL met?	Outperformance or underperformance payment	Total 2020-25 outperformance or underperformance payment
						£m	£m
Common PCs - Wastewater (Financial)							
Internal sewer flooding	PR19WSX_F1	Number of internal sewer flooding incidents per 10,000 sewer connection	2	1.56	No	-1.252	2.276
Pollution incidents	PR19WSX_E2	Pollution incidents per 10,000 km of sewer length	2	62.10	No	-23.474	-28.817
Sewer collapses	PR19WSX_R6	Number of sewer collapses per 1,000 km of all sewers	2	5.00	Yes	0.000	0.000
Treatment works compliance	PR19WSX_E1	%	2	99.68	No	0.000	0.000
Bespoke PCs - Wastewater (Financial)							
Customer property sewer flooding (external)	PR19WSX_F2	nr	2	17.11	No	-1.144	-8.152
Sewer flooding risk	PR19WSX_F3	score		64,962	No	-1.664	-2.610
North Bristol Sewer Scheme - Trym catchment	PR19WSX_F4	nr		0	Yes	0.000	0.000
Greenhouse gas emissions	PR19WSX_E5	nr		96	Yes	0.000	0.000
Working with communities to improve bathing water experience	PR19WSX_E6	nr		54	Yes	0.005	0.008
Working with catchment partners to improve natural capital	PR19WSX_E7	nr		42	Yes	0.017	0.084
Satisfactory sludge disposal	PR19WSX_E8	%	2	100.00	Yes	0.000	-0.045
Reduce frequent spilling overflows (non-WINEP)	PR19WSX_E9	nr		0	Yes	0.000	0.000
Length of river with improved water quality through WINEP delivery	PR19WSX_E10	km	1	397.0	No	-0.049	-0.375
Km of river improved (non-WINEP)	PR19WSX_E11	km	1	28.8	Yes	0.288	1.547
WINEP requirements (Bristol (Avonmouth) STW)	PR19WSX_E13	months		0	Yes	0.000	0.000
Financial wastewater performance commitments achieved		%			60		



## Pro forma 3C

Customer measure of experience (C-MeX) table

Item	Unit	Value
Annual customer satisfaction score for the customer service survey	Number	82.29
Annual customer satisfaction score for the customer experience survey	Number	77.13
Annual C-MeX score	Number	79.71
Annual net promoter score	Number	24.00
Total household complaints	Number	4016
Total connected household properties	Number	1,286,235
Total household complaints per 10,000 connections	Number	31.223
Confirmation of communication channels offered	TRUE or FALSE	TRUE

## Pro forma 3D

### Developer services measure of experience (D-MeX) table

Wessex

Item	Unit	Value
Qualitative component annual results	Number	80.12
Quantitative component annual results	Number	99.87
D-MeX score	Number	90.00
Developer services revenue (water)	£m	8.751
Developer services revenue (wastewater)	£m	7.877

#### Calculating the D-MeX quantitative component

Water UK performance metric	Unit	Reporting period (1 April to 31 March)	Quantitative score (annual)
W1.1	%	100.00%	
W3.1	%	97.75%	
W4.1	%	99.40%	
W6.1	%	100.00%	
W8.1	%	100.00%	
W17.1	%	100.00%	
W17.2	%	100.00%	
W18.1	%	100.00%	
S1.1	%	99.84%	
S3.1	%	100.00%	
S4.1	%	100.00%	

S7.1	%	100.00%
WN1.1	%	100.00%
WN2.2	%	100.00%
SN2.2	%	100.00%
WN4.1	%	100.00%
WN4.2	%	100.00%
SAM - 3/1	%	100.00%
SAM - 4/1	%	100.00%
SLPM – S1/2	%	100.00%
SLPM - S2/2a	%	100.00%
SLPM - S2/2b	%	100.00%
SLPM – S3	%	100.00%
SLPM – S4/1	%	100.00%

### Section 3: Performance summary

	%	
	%	
	%	

D-MeX quantitative score (for the reporting period)	%	99.87%
D-MeX quantitative score (annual)	Number	1.00

### Pro forma 3E

#### Outcome performance - Non financial performance commitments Wessex

	1	2	2a	4	5
Line description	Unique reference	Unit	Decimal places	Performance level - actual	PCL met?

Common					
Risk of severe restrictions in a drought	PR19WSX_R2	%	1	0.0	Yes
Priority services for customers in vulnerable circumstances - PSR reach	PR19WSX_C1	%	1	12.1	Yes
Priority services for customers in vulnerable circumstances - Attempted contacts	PR19WSX_C1	%	1	97.3	Yes
Priority services for customers in vulnerable circumstances - Actual contacts	PR19WSX_C1	%	1	64.5	Yes
Risk of sewer flooding in a storm	PR19WSX_R3	%	2	7.98	Yes

Bespoke PCs					
Successful applications for assistance received by the independent advice sector/third parties	PR19WSX_A2	nr		2,935	Yes
Value for money	PR19WSX_X3	%		72	No
Delivering for customers in vulnerable circumstances	PR19WSX_C2	text		Maintained	Yes
Volume of water saved by water efficiency engagement	PR19WSX_W4	nr	1	6.1	Yes
Event risk index (Wessex Water) (ERI WW)	PR19WSX_Q5	score	3	69.339	No
WINEP Delivery	PR19WSX_NEP01	text		met	Yes
Delivery of DWMPs	PR19WSX_DWMP	%		100	Yes

Non-financial performance commitments achieved		%		83	

## Section 3: Performance summary

### Pro forma 3F

#### Underlying calculations for common performance commitments - water and retail

We

	1	2	3	4	5
Line description	Unit	Standardising data indicator	Standardising data numerical value	Performance level - Actual (current reporting year)	Performance level - Calculated (i.e. standardised)

#### Performance commitments set in standardised units - Water

Mains repairs - Reactive	Mains repairs per 1000 km	Mains length in km	12,162.70	532	43.74
Mains repairs - Proactive	Mains repairs per 1000 km	Mains length in km	12,162.70	948	77.94
Mains repairs	Mains repairs per 1000 km	Mains length in km	12,162.70	1,480	121.68
Per capita consumption (PCC)	lpd	Total household population (000s) and household consumption (Ml/d)	1,367.04	179	131.10

	6	7	8	9	10	11	11a	11b	11c	11d	12	13
Line description	Unit	Performance level - actual (2017-18)	Performance level - actual (2018-19)	Performance level - actual (2019-20)	Baseline (average from 2017-18 to 2019-20)	Performance level - actual (2020-21)	Performance level - actual (2021-22)	Performance level - actual (2022-23)	Performance level - actual (2023-24)	Performance level - actual (2024-25)	Performance level 3 year average (current and previous 2 years)	Calculated performance level to compare against PCLs

#### Performance commitments measured against a calculated baseline

Leakage	MI/d	76.5	75.6	67.9	73.3	65.1	63.3	71.2	69.8	69.1	70.0	4.5
Per capita consumption (PCC)	lpd	135.9	139.3	138.3	137.8	152.0	145.0	137.1	131.2	131.1	133.1	3.4

### Section 3: Performance summary

Line description	Unit	Standardising data indicator	Standardising data numerical value	Total minutes lost	Number of properties supply interrupted	Calculated performance level
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#### Water supply interruptions

Water supply interruptions ≥ 3 hours	Average number of minutes lost per property per year	Number of properties (thousands)	645.68	6457950	21,474	00:10:00
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#### Water supply interruptions

Water supply interruptions ≥ 6 hours	Average number of minutes lost per property per year	Number of properties (thousands)	645.68	1951954	3,569	00:03:01
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#### Water supply interruptions

Water supply interruptions ≥ 12 hours	Average number of minutes lost per property per year	Number of properties (thousands)	645.68	364537	449	00:00:34
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#### Water supply interruptions

Water supply interruptions ≥ 24 hours	Average number of minutes lost per property per year	Number of properties (thousands)	645.68	12225	5	00:00:01
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Line description	Current company level peak week production capacity (PWPC) Ml/d	Reduction in company level PWPC Ml/d	Outage proportion of PWPC %
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#### Unplanned or planned outage

Unplanned outage	563.00	11.26	2.00%
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	23	24	25	26	27	28	29	30
Line description	Total residential properties (000s)	Total number of households on the PSR (as at 31 March)	PSR reach	Total number of households on the PSR over a 2 year period	Number of attempted contacts over a 2 year period	Attempted contacts %	Number of actual contacts over a 2 year period	Actual contacts %

#### Priority services for customers in vulnerable circumstances

Priority services for customers in vulnerable circumstances	1,259.00	152,838	12.1%	76,699	74,659	97.3%	49,506	64.5%
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## Section 3: Performance summary

### Pro forma 3G

#### Underlying calculations for common performance commitments - wastewater Wess

	1	2	3	4	5	6
Line description	Unique reference	Unit	Standardising data indicator	Standardising data numerical value	Performance level - actual current reporting year	Calculated performance level
Performance commitments set in standardised units						
Internal sewer flooding - customer proactively reported	PR19WSX_F1	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	1,302.55	173	1.33
Internal sewer flooding - company reactively identified (ie neighbouring properties)	PR19WSX_F1	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	1,302.55	30	0.23
Internal sewer flooding	PR19WSX_F1	Number of internal sewer flooding incidents per 10,000 sewer connection	Number of sewer connections	1,302.55	203	1.56
Pollution incidents	PR19WSX_E2	Pollution incidents per 10,000 km of sewer length	Sewer length in km	34,944.00	217	62.10
Sewer collapses	PR19WSX_R6	Number of sewer collapses per 1,000 km of all sewers	Sewer length in km	35,187.00	176	5.00

# Pro forma 3H

## Summary information on outcome delivery incentive payments

1

Line description	Initial calculation of performance payments (excluding CMEX and DMEX)
	£m (2017-18 prices)

Initial calculation of in period revenue adjustment by price control	
Water resources	-0.010
Water network plus	-2.817
Wastewater network plus	-27.286
Bioresources (sludge)	-0.012
Residential retail	0.865
Business retail	0.000
Dummy control	0.000

Initial calculation of end of period revenue adjustment by price control	
Water resources	0.000
Water network plus	0.319
Wastewater network plus	0.000
Bioresources (sludge)	0.000
Residential retail	0.000
Business retail	0.000
Dummy control	0.000

## Section 3: Performance summary

Initial calculation of end of period RCV adjustment by price control	
Water resources	0.000
Water network plus	0.000
Wastewater network plus	0.000
Bioresources (sludge)	0.000
Residential retail	0.000
Business retail	0.000
Dummy control	0.000

## Pro forma 3I

Supplementary outcomes information	Wessex Water
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	1	2	3
Line description	Current company level peak week production capacity (PWPC) MI/d	Reduction in company level PWPC MI/d	Outage proportion of PWPC %

Unplanned or planned outage			
Planned outage	563.00	24.52	4.36%

	4	5	6	7	8	9
Line description	Deployable output	Outage allowance	Dry year demand	Target headroom	Total population supplied	Customers at risk

Risk of severe restrictions in drought						
Risk of severe restrictions in drought	387.50	19.38	346.39	34.98	1,406.05	0.00

Line description	Total pe served	Total pe in excluded catchments	Percentage of total pe in excluded catchments	Total pe Option 1a	Percentage of total pe Option 1a	Total pe Option 1b	Percentage of total pe Option 1b	Vulnerability risk grade		
								Low	Medium	High
								Percentage of total population served		

Risk of sewer flooding in a storm										
Risk of sewer flooding in a storm	3,664,954	51,472	1.40%	0	0.00%	3,613,482	98.60%	92.02%	0.00%	7.98%

	20
Line description	Number of patch repairs or relining undertaken on sewer and not included in reported sewer collapses.

Sewer collapses	
Sewer collapses	17



## Section 4: Service level

### Totex

#### *Assessment process*

Assessing the variance between actual expenditure and the final determination at any point during a price control period requires logical assessment and assumptions to be applied so that the reporting is consistent and minimises any judgement.

Any variation in expenditure can comprise a mix of horizontal (advancement or slippage) and vertical (overspend or saving) movements. Table 4C requires the assessment of the variance in 2024-25 compared to the FD.

This analysis does not include expenditure for AMP8 Transition which commenced this reported year and is referred to in tables and commentary for 4L and 4M.

#### *Explanation of variance*

Since privatisation, Wessex Water has had a particular focus on customer service. We take very seriously our obligations and have consistently overspent FD allowances across the AMP periods where there has been a need to do more or to rectify issues. The 2024-25 year has included expenditure to both seek to maintain industry-leading performance despite the cost, and to accelerating future planned investment or increasing investment overall on health and process safety and environmental improvements to address pollution incidents and storm overflow spills. This has led to overall significant overspends against the FD allowance within the reporting year and cumulatively for the AMP. It is this degree of flexibility that has enabled Wessex Water to perform so well to date.

The net totex variance for the year 2024-25 £156m over the FD allowance and the cumulative variance to the end of 2024-25 is £258m over. This is derived from £266m due to overspend and £9m due to reprofiling to the future. Overspend is attributed to increases in base-plus costs to support performance reflected by performance commitments. Expenditure in 2024-25 is higher than previous years, primarily driven by net opex increases. All WINEP outputs were delivered by March 2025, except for a small number of schemes where the EA has agreed revised completion dates due to third-party or delivery challenges.

With regards to capital expenditure, while the impact of Covid-19 has been largely assimilated into business-as-usual activities, the worldwide impact has resulted in on-going significant supply chain constraints with increases in lead time for work items and protracted land and planning arrangements.

In 2024–25, the net operating expenditure (opex) shows an overspend of £55m compared to the Final Determination (FD). This represents a £27m increase from 2023-24, marking a larger year-on-year rise than previously seen. Although overall power costs declined, this benefit was outweighed by significant increases in staff and contractor expenses. These were driven by recruitment efforts, a rise in full-time equivalents (FTEs), and inflation. The additional staffing costs are linked to the expansion of business support teams in preparation for the AMP8 programme, though these costs do not qualify as AMP8 transition investment.

Further cost pressures include higher spending on chemicals and laboratory services, as increased testing volumes were driven by more stringent regulatory requirements introduced since the FD. Additionally, local authority rates rose by £4 million due to higher site rateable values, and Environment Agency (EA) charges increased by £3.3 million.

Cumulative net opex variance to FD to end of 2024-25 is £121m overspent. This overspend against the FD reflects broader global pressures experienced throughout AMP7, including rising power, chemical and employment costs, which is in line with the net opex spend variance between 2021-22 and 2023-24. We continue to pursue the activities noted below to try and mitigate these increases as far as possible:

- reduced power consumption and market rates through forward purchases

#### Section 4: Service level

- chemical process optimisation and internal review of external contractors

The net capex variance is £102m over FD for 2024-25 and £137m over for the cumulative position for AMP7, relating to a combination of upward and downward movements.

- The acceleration and commitment to make environmental improvements in particular to reduce pollutions, storm overflows and ensure sufficient capacity against expenditure drivers whose costs do not meet the criteria for AMP8 transition investment
- Above-inflation price increases for key material inputs (as above), work items and delivery resources
- Grants and contributions have increased compared to the previous year, primarily due to catch-up payments from prior years and the receipt of lumpy requisition contributions. The timing of these payments is outside our control and can vary significantly year to year. Higher grants and contributions than anticipated also reflect a modest pickup in new development activity, following recovery from the earlier slowdown in AMP7 and supported by a renewed government focus on growth. This includes an advance payment under an agreement for the provision of water to the Agratas battery factory. The contribution has been received ahead of construction, with delivery of the associated works planned for AMP8.

#### Wholesale: Actual expenditure v final determination (FD)

The following table provides a comparison of the actual expenditure to FD in 2024-25.

The comparison is based on the net PAYG FD value at outturn prices and excludes any pension deficit repair allowance, business rates, abstraction license fees, grants and contributions and other items not subject to cost sharing.

2024-25 price base	Water (£m)	Waste (£m)	Total (£m)
Net totex FD (CPIH inflated)	118	330	448
Actual net totex	144	463	607
PAYG variance	26	130	156

The following table provides a comparison of the actual expenditure to FD cumulative to end of 2024-25 and includes AMP7 transitional expenditure.

Cumulative to end 2024-25 outturn	Water (£m)	Waste (£m)	Total (£m)
Net totex FD (CPIH inflated)	589	1,571	2,160
Actual net totex	698	1,728	2,425
PAYG variance	108	150	258

#### Wholesale: water

For wholesale water the totex net expenditure variance to the FD allowance in year is a £26m overspend.

Totex net expenditure variance to the FD allowance cumulative to end of 2024-25 shows a £108m overspend.

The cumulative totex expenditure variance over the FD is the result of several upward and downward variances for different drivers. However, the material variances to FD are as follows.

- Where we have explicit allowances to compare we have listed the progress to date.
  - supply environmental programme (WINEP/NEP) is £12m underspent, approximately £11m of this due to efficiencies realised in the project delivery to date, with the remainder due to reprofiling of the programme compared to the FD
  - The supply-demand balance is currently £1 million overspent. This overspend is primarily driven by upward cost pressures from the advancement of the Mendip Quarries SRO, which was not funded at PR19. These pressures outweigh the cost efficiencies achieved through our water efficiency initiatives.
  - metering is £0.5m underspent, which marks a shift from the broadly consistent levels of overspend due to higher cost per meter installation than assumed at PR19, seen throughout AMP7. This variance reflects the pause in our change of occupier metering

## Section 4: Service level

policy from April, implemented in preparation for the planned rollout of smart meters in 2025.

- other supply enhancement is £5m underspent primarily due to a proportion of the Non-SEMD expenditure being recorded against waste for the PSTN replacement work (total allowance was against supply only in the FD)
- We are overspending on the modelled base plus costs by £96m due to:
  - We maintained a priority focus on reducing leakage despite the significant cost above FD, and while we successfully delivered ahead of the leakage target over the last three years and introduced additional activities we have not met the leakage target for 2024-25; the consequence is we have significantly overspent, which is compounded by enhancement leakage expenditure being incorporated in base
  - Advancement of our investment in disinfection improvements as part of our strategy to address the increase in risk of cryptosporidium with further investment included within the PR24 business plan
  - above inflation increases in power and labour costs

### *Wholesale: waste*

For wholesale wastewater the totex net expenditure variance to the FD allowance in year is a £130m overspend. The overspend is attributable to catchup from previous years of deferred expenditure, as well as increasing investment on environmental improvements not funded in AMP7 plus overspend above allowances for bioresources.

Totex net expenditure variance to the FD allowance cumulative to end of 2024-25 shows a £150m overspend.

The cumulative totex expenditure variance over the FD is the result of several upward and downward variances for different drivers, but the material variances to FD are as follows.

- Where we have explicit allowances to compare, we have listed the main reasons for the variance to date:
  - Waste environmental programme (WINEP/NEP) is £16m underspent to the end of 2024-25. The net effect of underspend is £5m of savings from efficiencies realised in the investigations and monitoring delivered to date and the chemical removal programme, and £10m deferral, primarily from the phosphorus removal programme, which has had reg date extensions agreed with the EA. We are currently forecasting c£22m spend for the AMP7 phosphorus removal programme in 2025-26, distinct from other carryover and snagging costs.
  - Overspend on other enhancements mainly investments in PSTN replacement where the allowance is against supply
  - The increase in overspend is primarily due to ongoing supply chain pressures affecting the industry as well as with the completion of outstanding works required to meet the end of AMP7 regulatory outputs.
- We are overspending on the Bioresources modelled base plus costs by £12m. The main reasons are:
  - We have invested more in Bioresources assets than estimated in our PR19 plan to meet heightened levels of health & process safety now expected at those sites. We have commenced a significant, ongoing programme of works at our Poole and Avonmouth Bioresources Centre which is due to complete in AMP8.
  - We are continuing to invest more than funded in AMP7 on environmental improvements to reduce the risk of pollution events and improved monitoring of storm overflows according to our Pollution Incident Reduction Plan which has been shared with the Environment Agency. Due to the prolonged wet conditions, we have seen an elevated level of total pollutions in 2023-24 and 2024-25, and have reported a single case of

## Section 4: Service level

serious pollution in 2023-24.

- Grants and contributions have increased compared to the previous year, primarily due to catch-up payments from prior years and the receipt of lumpy requisition contributions. The timing of these payments is outside our control and can vary significantly year to year. Higher grants and contributions than anticipated also reflect a modest pickup in new development activity, following recovery from the earlier slowdown in AMP7 and supported by a renewed government focus on growth.

### *Disallowable costs*

Gross totex figures reported in table 4C generally exclude disallowable costs, but we have reported £3.7m of disallowable costs in line 4, which are reported in totex costs in tables 4D and 4E. These include:

- £2.1m in relation to the investigation of the incident at Avonmouth WRC
- £0.4m of legal and support costs resulting from financing activities
- £1.2m arising from fines or compensation claims against the Company

### *Recharges between business units*

- Some assets within the appointed business are multifunctional in nature in that more than one price control unit will benefit from their use over time. Examples of such 'Management and General' assets include IT systems, IT hardware infrastructure, laboratories, offices, depots, stores, and some vehicles.
- The approach adopted by Wessex Water is to assign such assets to the price control unit that is the principal user of the asset. A recharge of the usage by other price control units is then calculated based on the most appropriate cost driver. Typically, this is the same as the one used for overhead allocation of operating costs associated with the asset.
- Consistent with last year, the major beneficiary of net recharges is Wastewater Networks Plus at £3.1m (£2.3m 2023-24) and the largest net recipient of charges is Water Networks Plus at £1.9m (£1.4m 2023-24). At the same time recharges to Retail have stayed unchanged at £0.3m compared to 2023-24.

## Return on regulatory equity

Return on regulatory equity figures are presented within table 1F. We have included the company share of land sales as disclosed in table 2L and calculated as per the PR24 reconciliation model, within the exceptional items.

## Supply-demand balance and metering

Our previously published Water Resources Management Plan (WRMP), in 2019, on which we report for the 2020-2025 reporting period, did not identify any supply-demand balance deficit and hence there are no lines of expenditure specific to this. However, the assessment of large strategic water resource options was agreed at the PR19 Final Determination (FD19) as part of the remit of the West Country Water Resources Group, now West Country Water and Environment (WCWE). The WCWE is a partnership between ourselves, Bristol Water and South West Water. The group is responsible for producing a regional plan and for investigating a number of strategic resource options (SRO).

There are currently three SRO projects in the WCWE region that are following the gated process overseen by RAPID. All three projects have successfully passed through gate two. The gate two submissions for the Poole water recycling and Cheddar two reservoir projects were made in November 2022. RAPID/Ofwat issued their final decisions in July 2023. Both schemes were approved to progress to the next gate, with the addition of an extra hold point (Conditional Review) for the Cheddar scheme. RAPID issued a final decision (March 2025), confirming that the Conditional Review held in 2024 demonstrated that there is a need for the scheme and that it features in a best value plan in the companies' revised WRMPs.

Both Cheddar and Poole are aiming to submit their Gate 3 reports to RAPID (pre-planning permission) in early 2026, with Mendips following mid 2028.

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The third project, Mendip Quarries, is following a later timeline with the gate two submission completed on 17 July 2023 and final decision issued by RAPID in February 2024. The scheme aims to re-purpose an existing quarry at the end of its mineral extraction life for use as a water storage reservoir.

The design development and investigations are being undertaken by consultants. Expenditure is tracked in line with allowances agreed at FD24 and subsequent increases to Gate 3 allowances agreed by RAPID as part of the Gate 2 submissions.

All the gate submissions are published on the WCWEG website. RAPID's decisions are published on their website.

Our commentary for Table 6B outlines the components of our water balance. Our total leakage for 2024-25 was 69.1 MI/d, which is a 0.7 MI/d decrease on the previous year. Since the publication of WRMP19, we have restarted our baseline leakage as part of the leakage convergence methodology. At the start of the AMP, leakage was generally lower than WRMP19 forecasts due to methodology changes, but also due to overperformance in our reductions. Since 2022-23, in year outturn however has been slightly higher than the WRMP19 forecast – 2.7 MI/d above the 2024-25 forecast of 66.4 MI/d. We reduced in-year leakage across 2024-25, continuing recovery from the severe network response suffered in 2022-23. We did experience an extended period of winter leakage breakout in early January 2025, but levels were then steadily driven lower through to spring, ending the reporting year with minimum night flow rates over 10 MI/d lower than seen in April 2024. This is detailed further in the commentary of Table 3 W1 (Section 3).

We did not have a smart metering programme in 2024-25. Our default policy at the current time is to replace basic meters with basic meters. We have developed a smart metering programme as part of WRMP24 and PR24, beginning the rollout of AMI smart meters to household and non-household customers in 2025.

Our table commentaries on leakage (Section 3) and metering (Table 6D and 4L) detail our enhancement expenditure and progress with our leakage and metering programmes. The WRMP19 metering strategy involves the continuation of free optional metering services and a policy to meter households on change of occupier. However, in advance of our smart meter rollout starting in 2025, the change of occupier policy was paused on 17<sup>th</sup> April 2024. The total number of basic optant and selective meters (change of occupier) installed for residential customers in 2024-25 was 6,439. Our total meter penetration is 74.8% compared to our WRMP19 forecast of 78.3%. The number of optant meters installed this year has remained higher than during the covid-impacted period in 2020-21 and 2021-22, and is now higher than our WRMP19 forecast. The significant increase in 2024-25 is due to the substantial increase in water charges from April 2025 (announced before the end of the financial year giving people time to request a meter before the increase came into effect) alongside the cost-of-living crisis putting pressure on all areas of household expenditure and customers wanting to do more to take control of their bills.

Our water efficiency strategy for AMP7 currently focuses on providing water efficiency information and advice, promoting water efficiency devices, and carrying out targeted home and school water efficiency visits. Further details on our activities are outlined in the commentary of Table 3 W4 (Section 3). In 2024-25 we delivered 1.16 MI/d of water efficiency savings, resulting in a cumulative outturn performance of 6.09 MI/d compared to the performance commitment target of 5.0 MI/d. This continues the increase in delivery that was seen in 2023-24 compared to 2020-21 and 2021-22 following Covid restrictions preventing the launch at the start of the AMP of the audit programme. There is also heightened awareness of the link between water and energy use during the cost-of-living crisis.

## Narrative on costs

Freeform lines used in tables 4L and 4M are as follows.

### Line 4L.100/101 Integrated supply grid

We incurred minimal costs relating to the Corfe Mullen to Salisbury transfer scheme. Although the scheme is complete, there were some outstanding costs for land compensation. The majority of the total cumulative expenditure incurred relate to costs earlier in AMP7 for completing upgrades to the service reservoir and pumping station at Sturminster Marshall in Dorset. This relates to an AMP6 enhancement where the full costs were not in the 2019/20 baseline as new costs are still being incurred.

### Line 4L.102/103 Partnership working

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The operating expenditure is for undertaking condition reviews, land management plan reviews and connected improvements to a number of SSSI sites such as the Monkswood Valley, Poole Harbour, Nutscale Reservoir in Exmoor and other water sources.

### **Line 4L.104/105 NEP - Local priority**

Minimal expenditure in previous years relating to a previously completed project at Mere with AMP6 drivers.

### **Line 4L.106/107 PR24 25-Year Environment Plan**

AMP8 transition expenditure on a chalk stream restoration project with this WINEP driver.

### **Line 4L.108/109 NEP - WFD water resource investigations**

Expenditure in 2020-21 to complete investigations with AMP6 outputs.

### **Line 4L.110/11 PR24 Biodiversity and conservation**

AMP8 transition expenditure on a number of schemes submitted in our PR24 business plan submission to improve biodiversity in a number of catchments such as Poole Harbour and Blashford Lakes.

### **Line 4M.75/76 WINEP – Monitoring of pass forward flows at CSOs**

EA permit fees for an AMP6 scheme that monitored pass forward flow at strategic pumping stations. The scheme has now been completed.

### **Line 4M.77/78 Storm overflow improvement (not storage)**

This AMP7 expenditure is for projects where the output is not described by the existing enhancement drivers in this table. These projects provide improvements to storm overflows but the solution is not storage. Minor snagging costs have been incurred this year and the projects are now completed, providing improved operation and screening combined with nature-based solutions.

### **Line 4M.79/80 Storm overflow infiltration management (WINEP)**

AMP8 transition expenditure on sealing of sewers at storm overflows impacted by groundwater infiltration. These storm overflows are listed for improvement in the AMP8 WINEP.

### **Line 4M.81/82 North Bristol strategic sewers**

This programme provides extra capacity in the sewer network for existing housing and new developments in North Bristol. This investment is named in the PR19 FD under this freeform enhancement category. Negative cost reported is related to Trym Relief Sewer scheme.

We are accounting all costs against the North Bristol strategic sewer freeform line. This includes an allowance for network reinforcement accounted for in table 2J.

### **Line 4M.83/84 Network growth**

These opex costs relate to sewage pumping stations that have been adopted which we are now required to operate.

### **Line 4M.85/86 Partnership working**

Expenditure in the report year was incurred on 3 catchment partnerships (Bristol Avon, Stour and Poole Harbour), partnerships with Rivers & Wildlife Trusts and working with community groups to improve bathing water amenities.

### **Line 4M.87/88 PR24 Treatment for nutrients N or P and / or sanitary determinands, nature based solution WINEP/NEP**

AMP8 transition expenditure to progress a project for phosphorus removal at East Harptree WRC which is planned to have a nature-based solution.

### **Line 4M.89/90 PR24 Continuous river water quality monitoring WINEP/NEP**

AMP8 transition expenditure to continuously monitor the quality of water upstream and downstream of WRCs and storm overflows.

#### Section 4: Service level

##### **Line 4M.91/92 PR24 Restoration management (marine, conservation zones etc) (WINEP/NEP)**

AMP8 transition costs to progress a project at Ratfyn WRC to relocate the final effluent discharge location.

##### **Line 4M.93/94 PR24 Biodiversity and conservation**

AMP8 transition costs to progress a WINEP scheme at sewage treatment sites to improve habitats for swallows, swifts and martins.

##### **Line 4M.95/96 PR24 Sludge storage - Cake pads / bays / other WINEP/NEP**

AMP8 transition costs to progress AMP8 projects of constructing sludge storage barns at Trowbridge, Avonmouth and Malmesbury.

##### **Line 4M.97/98 P Removal outperformance**

These are for additional operating costs at treatment sites to achieve the AMP7 performance commitment for phosphorus removal in the Hampshire Avon Catchment.

##### **Line 4M.99/100 PR24 Catchment management - habitat restoration; WINEP/NEP**

AMP8 transition expenditure to progress AMP8 projects to improve habitats at Ebblake Bogg and Parley Common SSSI sites.

Reporting categories are assigned to capital projects on a percentage basis determined from analysing the cost estimate for the project to completion which is done initially at project conception. The reporting categories are not revised annually based on expenditure incurred in the year. However, reporting categories are reviewed on a prioritised basis following full financial approval when scope of the project has been agreed. To calculate the total to be reported against the applicable categories for each project the total capex is multiplied by the percentage assigned to each reporting category.

£23m of capital expenditure in the 2024-25 regulatory year has been subjected to proportional allocation between maintenance and enhancement or developer services. This is for projects with more than one investment driver. The breakdown of the allocation to investment drivers is shown in the table below.

<b>Project Investment driver combination</b>	<b>2024-25 capex £m</b>
Base & Developer Services capital expenditure	8.5
Base & Enhancement capital expenditure	13.3
Enhancement & Developer Services capital expenditure	1.1
<b>Total</b>	<b>22.8</b>

£127m of capital expenditure in the 2024-25 regulatory year has been subjected to proportional allocation between enhancement investment drivers and/or between enhancement and capital maintenance. This is for projects with more than one investment driver. The breakdown of the allocation to investment drivers is shown in the table below. This includes AMP8 transition expenditure.

<b>Cost allocation for projects with more than one investment driver</b>	
<b>Investment driver</b>	<b>2024-25 capex £m</b>
Growth at sewage treatment works (excluding sludge treatment)	8.930

#### Section 4: Service level

New meters introduced by companies for existing customers	0.601
New meters requested by existing customers (optants)	2.077
New meters for existing customers - business	0.016
PR24 Increase storm system attenuation / treatment on a STW green solution	0.043
PR24 Investigations WINEP/NEP desk based study only water	0.009
PR24 Investigations WINEP/NEP multiple surveys, and/or monitoring locations, and/or complex modelling water	0.111
PR24 Investigations WINEP/NEP survey, monitoring or simple modelling water	0.057
PR24 Investigations, WINEP/NEP desk based studies only wastewater	0.001
PR24 Investigations, WINEP/NEP multiple surveys, and/or monitoring locations, and/or complex modelling wastewater	0.020
PR24 Investigations, WINEP/NEP survey, monitoring or simple modelling wastewater	0.005
PR24 Replacement of existing basic meters with AMI meters for business customers	0.079
PR24 Replacement of existing basic meters with AMI meters for residential customers	0.838
PR24 Restoration management (marine, conservation zones etc) (WINEP/NEP)	0.017
PR24 Smart meter infrastructure	0.047
PR24 Storage to reduce spill frequency at CSOs etc green solution	0.003
PR24 Treatment for phosphorus removal chemical WINEP/NEP	8.453
PR24 Treatment for total nitrogen removal chemical WINEP/NEP	0.534
Reduce flooding risk for properties	0.521
WINEP - AMP8 Advance Flow Monitoring at STWs	1.122
WINEP - Chemicals removal schemes	0.001
WINEP - Conservation drivers	0.301
WINEP - Event Duration Monitoring at intermittent discharges	0.138
WINEP - Flow monitoring at sewage treatment works	2.767
WINEP - Investigations	0.187



#### Section 4: Service level

WINEP - Nutrients (P removal at activated sludge STWs)	2.777
WINEP - Nutrients (P removal at filter bed STWs)	28.681
WINEP - Reduction of sanitary parameters	13.467
WINEP - Schemes to increase flow to full treatment	33.250
WINEP - Storage schemes at STWs to increase storm tank capacity	5.837
WINEP - Storage schemes in the network to reduce spill frequency at CSOs, etc	11.817
WINEP - UV disinfection (or similar)	- 0.013
WINEP - Water Framework Directive measures	0.054
Maintenance	4.588
<b>Total</b>	<b>127.336</b>

For the resident population we are using the ONS mid-year estimates which include the Census 2011 population uplift. For APR reporting years 2015-16 to 2021-22 the 2011 Census was used. For the 2022/23 to 2024-25 population the 2021 census has been used as this data is included within the current ONS mid-year estimates.

On wastewater, the non-resident population is based on data provided by the Southwest Tourist Board in 2011 which gave the number of bed spaces available for various types of holiday accommodation; an occupancy rate of two-thirds for four months of the year is assumed (i.e. 2/9 as per RAG 4.10 4R.29). This dataset is amended (as necessary) when we review STW populations as part of potential growth in a particular catchment.

## Pro forma 4A

## Wessex Water

## Water bulk supply information for the 12 month

Line description	Volume	Operating costs	Revenue
Units	MI	£m	£m
DPs	3	3	3

Bulk supply exports			
Bournemouth Water, Whiteparish	0.000	0.000	0.000
Wessex cross connection to	0.000	0.000	0.000
Bristol Water, Chapmanslade	20.584	0.006	0.051
Bristol Water, Compton Dundon	93.816	0.026	0.000
Bristol Water, Corsley	32.242	0.009	0.077
Bristol Water, Lydford	11.383	0.003	0.001
Bristol Water, Standerwick	0.000	0.000	0.000
Bristol Water, Shipton Moyne	6.735	0.002	0.000
Leep Utilities (Scottish & Southern),	119.129	0.033	0.198
Leep Utilities (Scottish & Southern),	52.049	0.014	0.117
Leep Utilities, Victoria Road 1	13.510	0.004	0.000
Leep Utilities, Victoria Road 2	0.000	0.000	0.000
Leep Utilities, Semington Road	1.732	0.000	0.000
Leep Utilities, Woolavington Road	0.252	0.000	0.000
Independent Water Networks Ltd, Wey	5.483	0.001	0.010
Independent Water Networks Ltd,	3.847	0.001	0.007
Independent Water Networks Ltd, Firs	7.310	0.002	0.008
Independent Water Networks Ltd,	5.983	0.002	0.011
Independent Water Networks Ltd,	10.286	0.003	0.017
Independent Water Networks Ltd,	3.396	0.001	0.006
Independent Water Networks Ltd,	0.000	0.000	0.000
Independent Water Networks Ltd,	2.661	0.001	0.005
Independent Water Networks Ltd,	0.000	0.000	0.000
Independent Water Networks Ltd,	0.480	0.000	0.011
Independent Water Networks Ltd,	0.694	0.000	0.000
Independent Water Networks Ltd,	6.012	0.002	0.011
Independent Water Networks Ltd,	1.021	0.000	0.002
Independent Water Networks Ltd,	5.926	0.002	0.010
Independent Water Networks Ltd,	1.523	0.000	0.002

## Section 4: Service level

Independent Water Networks Ltd, Elm	0.181	0.000	0.000
Independent Water Networks Ltd,	0.000	0.000	0.000
Independent Water Networks Ltd,	2.393	0.001	0.000
Independent Water Networks Ltd,	1.732	0.000	0.003
Independent Water Networks Ltd, Wey	0.030	0.000	0.010
Independent Water Networks Ltd,	4.961	0.001	0.007
Independent Water Networks Ltd,	12.132	0.003	0.003
Independent Water Networks Ltd,	0.400	0.000	0.000
Independent Water Networks Ltd,,	3.930	0.001	0.004
Independent Water Networks Ltd,,	0.000	0.000	0.000
Independent Water Networks Ltd,, May	0.641	0.000	0.001
Independent Water Networks Ltd,	0.069	0.000	0.000
Independent Water Networks Ltd,,	0.061	0.000	0.000
Independent Water Networks Ltd,,	0.035	0.000	0.000
Icosa Water, Comeytrove Taunton	42.621	0.012	0.072
Icosa Water, Elizabeth Way Trowbridge	0.964	0.000	0.002
ESP Vearse Farm Bridport	0.009	0.000	0.001
AWN Marshall Road Devizes	0.004	0.000	0.000
Total bulk supply exports	476.217	0.130	0.647

Line description	Volume	Operating costs
Units	MI	£m
DPs	3	3

Bulk supply imports			
Bournemouth Water, Whiteparish	0.000	0.000	
Wessex cross connection to	0.000	0.000	
Bristol Water, Ashcott	94.255	0.000	
Bristol Water, Bath	1,823.275	1.282	
Bristol Water, Marshfield	9.790	0.000	
Southern Water, Biddesden	3.748	0.011	
Southern Water, Ludgershall	81.542	0.235	
Southern Water, Andover	0.000	0.000	
South West Water, Charmouth	2.788	0.009	
South West Water, Wellington	6.943	0.015	
Thames Water, Malmesbury	9.092	0.045	
Veolia, Leckford	637.488	0.483	
Veolia, Pewsey (Tidworth)	67.641	0.120	
Bulk supply 25			
Bulk supply 25			
Total bulk supply imports	2,736.562	2.200	

## Section 4: Service level

Pro forma 4C

Wessex Water

Impact of price control performance to date on RCV												
Line description	Units	DPs	12 months ended 31 March 2025					Price control period to date				
			Water resources	Water network plus	Wastewater network plus	Bioresources	Additional Control	Water resources	Water network plus	Wastewater network plus	Bioresources	Additional Control
Data												
Totex (net of business rates, abstraction licence fees and grants and contributions)												
Final determination allowed totex (net of business rates, abstraction licence fees, grants and contributions and other items not subject to cost sharing)	£m	3	12.630	104.992	298.113	31.660	0.000	76.345	512.486	1,441.631	129.860	0.000
Actual totex (excluding business rates, abstraction licence fees, grants and contributions and other items not subject to cost sharing)	£m	3	15.715	128.187	403.885	59.067	0.000	63.120	634.096	1,490.517	227.964	0.000
Transition expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.200	0.000	0.000
Disallowable costs	£m	3	0.041	0.332	1.047	2.262	0.000	0.108	1.013	2.653	3.701	0.000
Total actual totex (net of business rates, abstraction licence fees and grants and contributions)	£m	3	15.674	127.855	402.838	56.805	0.000	63.012	633.083	1497.064	224.263	0.000
Variance	£m	3	3.044	22.863	104.725	25.145	0.000	-13.333	120.597	55.433	94.403	0.000
Variance due to timing of expenditure	£m	3	4.652	5.589	33.626	0.000	0.000	-0.213	2.677	-10.953	0.000	0.000
Variance due to efficiency	£m	3	-1.608	17.274	71.099	25.145	0.000	-13.120	117.920	66.386	94.403	0.000
Customer cost sharing rate - outperformance	%	2	56.14%	56.14%	58.67%	0.00%	0.00%	56.14%	56.14%	58.67%	0.00%	0.00%
Customer cost sharing rate - underperformance	%	2	43.86%	43.86%	41.33%	0.00%	0.00%	43.86%	43.86%	41.33%	0.00%	0.00%
Customer share of totex overspend	£m	3	0.000	7.576	29.385	0.000	0.000	0.000	51.720	27.437	0.000	0.000
Customer share of totex underspend	£m	3	-0.903	0.000	0.000	0.000	0.000	-7.366	0.000	0.000	0.000	0.000
Company share of totex overspend	£m	3	0.000	9.698	41.714	25.145	0.000	0.000	66.200	38.949	94.403	0.000
Company share of totex underspend	£m	3	-0.705	0.000	0.000	0.000	0.000	-5.754	0.000	0.000	0.000	0.000
Totex - business rates and abstraction licence fees												
Final determination allowed totex - business rates and abstraction licence fees	£m	3	3.731	18.029	8.950	2.100	0.000	16.956	81.936	40.677	9.544	0.000
Actual totex - business rates and abstraction licence fees	£m	3	3.395	11.791	10.023	2.458	0.000	17.520	67.603	39.598	9.214	0.000
Variance - business rates and abstraction licence fees	£m	3	-0.336	-6.238	1.073	0.358	0.000	0.564	-14.333	-1.079	-0.330	0.000
Customer cost sharing rate - business rates	%	2	75.00%	75.00%	75.00%	0.00%	0.00%	75.00%	75.00%	75.00%	0.00%	0.00%
Customer cost sharing rate - abstraction licence fees	%	2	75.00%	75.00%	75.00%	0.00%	0.00%	75.00%	75.00%	75.00%	0.00%	0.00%
Customer cost sharing rate - business rates and abstraction licence fees												
Customer share of totex over/underspend - business rates and abstraction licence fees	£m	3	-0.252	-4.679	0.805	0.000	0.000	0.423	-10.750	-0.809	0.000	0.000
Company share of totex over/underspend - business rates and abstraction licence fees	£m	3	-0.084	-1.560	0.268	0.358	0.000	0.141	-3.583	-0.270	-0.330	0.000
Totex not subject to cost sharing												
Final determination allowed totex - not subject to cost sharing	£m	3	0.822	1.556	0.269	0.000	0.000	4.394	9.052	1.221	0.000	0.000
Actual totex - not subject to cost sharing	£m	3	4.536	2.750	1.936	2.262	0.000	12.617	30.718	36.599	12.184	0.000
Variance - 100% company allocation	£m	3	3.714	1.194	1.667	2.262	0.000	8.223	21.666	35.378	12.184	0.000
Total customer share of totex over/under spend	£m	3	-1.155	2.898	30.190	0.000	0.000	-6.943	40.970	26.628	0.000	0.000
RCV												
Total customer share of totex over/under spend	£m	3	-1.155	2.898	30.190	0.000	0.000	-6.943	40.970	26.628	0.000	0.000
PAYG rate	%	2	78.010%	78.010%	44.720%	66.910%	0.000%	66.020%	72.510%	40.380%	73.280%	0.000%
RCV element of cumulative totex over/underspend	£m	3	-0.254	0.637	16.689	0.000	0.000	-2.359	11.263	15.876	0.000	0.000
Adjustment for ODI outperformance payment or underperformance payment	£m	3						0.000	0.000	0.000	0.000	0.000
Green recovery	£m	3						0.000	0.000	0.000		0.000
RCV determined at FD at 31 March	£m	3						96.438	1,329.030	3,017.858	124.771	0.000
Projected 'shadow' RCV	£m	3						96.438	1,329.030	3,017.858	124.771	0.000

## Section 4: Service level

### Pro forma 4D

#### Wessex Water

#### Totex analysis for the 12 months ended 31 March 2025 - water resources and wat

Line description	Units	DPs	Water resources	Network+				Total
				Raw water transport	Raw water storage	Water treatment	Treated water distribution	
Operating expenditure								
Base operating expenditure	£m	3	12.137	0.000	0.000	30.938	56.232	99.308
Enhancement operating expenditure	£m	3	1.054	0.000	0.000	0.137	1.449	2.641
Developer services operating expenditure	£m	3	0.000	0.000	0.000	0.000	4.465	4.465
Total operating expenditure excluding third party services	£m	3	13.192	0.000	0.000	31.075	62.147	106.414
Third party services	£m	3	0.855	0.000	0.000	0.103	0.701	1.659
Total operating expenditure	£m	3	14.047	0.000	0.000	31.178	62.848	108.073
Grants and contributions								
Grants and contributions - operating expenditure	£m	3	0.000	0.000	0.000	0.000	4.136	4.136
Capital expenditure								
Base capital expenditure	£m	3	3.022	0.110	0.000	8.544	38.119	49.796
Enhancement capital expenditure	£m	3	7.068	0.050	0.000	1.160	7.753	16.031
Developer services capital expenditure	£m	3	0.000	0.000	0.000	0.000	3.964	3.965
Total gross capital expenditure excluding third party services	£m	3	10.091	0.160	0.000	9.704	49.837	69.792
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Total gross capital expenditure	£m	3	10.091	0.160	0.000	9.704	49.837	69.792
Grants and contributions								
Grants and contributions - capital expenditure	£m	3	0.000	0.000	0.000	0.000	5.062	5.062
Net totex	£m	3	24.138	0.160	0.000	40.883	103.487	168.666
Cash expenditure								
Pension deficit recovery payments	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Totex including cash items	£m	3	24.138	0.160	0.000	40.883	103.487	168.666
Atypical expenditure								
Item 1	£m	3						0.000
Item 2	£m	3						0.000
Item 3	£m	3						0.000
Item 4	£m	3						0.000
Item 5	£m	3						0.000
Total atypical expenditure	£m	3	0.000	0.000	0.000	0.000	0.000	0.000

## Section 4: Service level

Pro forma 4E

Wessex Water

### Totex analysis for the 12 months ended 31 March 2025 - wastewater network+ and bioresources

Line description	Units	DPs	Network+ Sewage collection			Network+ Sewage treatment		Bioresources			Total
			Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Imported sludge liquor treatment	Sludge transport	Sludge treatment	Sludge disposal	
Operating expenditure											
Base operating expenditure	£m	3	29,792	11,767	10,373	77,580	2,095	10,758	18,722	6,650	167,737
Enhancement operating expenditure	£m	3	2,157	0,059	0,000	11,868	0,194	0,000	0,609	0,000	14,886
Developer services operating expenditure	£m	3	0,845	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,845
Total operating expenditure excluding third party services	£m	3	32,794	11,825	10,373	89,448	2,289	10,758	19,331	6,650	183,468
Total third party services	£m	3	0,291	0,170	0,158	0,000	0,000	0,000	0,000	0,000	0,619
Total operating expenditure	£m	3	33,085	11,996	10,531	89,448	2,289	10,758	19,331	6,650	184,087
Grants and contributions											
Grants and contributions - operating expenditure	£m	3	0,744	0,271	0,238	0,000	0,000	0,000	0,000	0,000	1,253
Capital expenditure											
Base capital expenditure	£m	3	41,607	3,004	0,000	40,781	0,008	0,256	20,371	0,225	106,251
Enhancement capital expenditure	£m	3	22,681	7,643	0,000	194,253	1,973	0,000	4,813	0,000	231,361
Developer services capital expenditure	£m	3	10,022	0,360	0,000	0,000	0,000	0,000	0,000	0,000	10,382
Total gross capital expenditure excluding third party services	£m	3	74,309	11,007	0,000	235,033	1,981	0,256	25,183	0,225	347,994
Third party services	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total gross capital expenditure	£m	3	74,309	11,007	0,000	235,033	1,981	0,256	25,183	0,225	347,994
Grants and contributions											
Grants and contributions - capital expenditure	£m	3	5,593	0,829	0,000	0,000	0,000	0,000	0,000	0,000	6,422
Net totex											
	£m	3	101,057	21,902	10,293	324,481	4,270	11,014	44,514	6,875	524,406
Cash expenditure											
Pension deficit recovery payments	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Other cash items	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000

Pro forma 4E

Wessex Water

### Totex analysis for the 12 months ended 31 March 2025 - wastewater network+ and bioresources

Line description	Units	DPs	Network+ Sewage collection			Network+ Sewage treatment		Bioresources			Total
			Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Imported sludge liquor treatment	Sludge transport	Sludge treatment	Sludge disposal	
Net totex	£m	3	101,057	21,902	10,293	324,481	4,270	11,014	44,514	6,875	524,406
<b>Cash expenditure</b>											
Pension deficit recovery payments	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Other cash items	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Totex including cash items	£m	3	101,057	21,902	10,293	324,481	4,270	11,014	44,514	6,875	524,406
<b>Atypical expenditure</b>											
Item 1	£m	3									0,000
Item 2	£m	3									0,000
Item 3	£m	3									0,000
Item 4	£m	3									0,000
Item 5	£m	3									0,000
Total atypical expenditure	£m	3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000

Pro forma 4F

Wessex Water

### Major project expenditure for wholesale water by purpose for the 12 months ended 31 March 2025

Line description	Units	Dps	Expenditure in report year £m						Cumulative expenditure on incurred on schemes in £m					
			Water resources	Water network+				Total	Water resources	Water network+				Total
				Raw water transport	Raw water storage	Water treatment	Treated water distribution			Raw water transport	Raw water storage	Water treatment	Treated water distribution	
Major project capital expenditure by purpose														
Capital expenditure purpose - line 1	£m	3	1 014	0 050	0 000	0 249	0 349	1 662	1 592	0 078	0 000	0 392	0 548	2 610
Capital expenditure purpose - line 2	£m	3	1 328	0 000	0 000	0 000	0 000	1 328	2 366	0 000	0 000	0 000	0 000	2 366
Capital expenditure purpose - line 3	£m	3	1 284	0 000	0 000	0 000	0 175	1 459	2 412	0 000	0 000	0 000	0 329	2 741
Capital expenditure purpose - line 4	£m	3	0 015	0 000	0 000	0 000	0 000	0 015	0 064	0 000	0 000	0 000	0 000	0 064
Capital expenditure purpose - line 5	£m	3	0 000	0 000	0 000	0 000	0 049	0 049	0 000	0 000	0 000	0 000	0 061	0 061
Capital expenditure purpose - line 6	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Capital expenditure purpose - line 7	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Capital expenditure purpose - line 8	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Capital expenditure purpose - line 9	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Capital expenditure purpose - line 10	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Total major project capital expenditure	£m	3	3 640	0 050	0 000	0 249	0 573	4 513	6 435	0 078	0 000	0 392	0 938	7 843
Major project operating expenditure by purpose														
Operating expenditure purpose - line 1	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Operating expenditure purpose - line 2	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000
Operating expenditure purpose - line 3	£m	3	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000	0 000



[illegible]

Major project expenditure for wholesale wastewater by purpose for the 12 months ended 31 March 2025

Version 1 – July 2025

## Pro forma 4H Wessex Water

### Financial metrics for the 12 months ended 31 March 2025

Line description	Units	DPs	Current year	AMP to date
<b>Financial indicators</b>				
Net debt	£m	3	3284.998	
Regulatory equity	£m	3	1,283.099	
Regulatory gearing	%	2	71.91%	
Post tax return on regulatory equity	%	2	0.11%	
RORE (return on regulatory equity)	%	2	0.54%	4.45%
Dividend yield	%	2	5.18%	
Retail profit margin - Household	%	2	2.17%	
Retail profit margin - Non household	%	2	0.00%	
Credit rating - Fitch	Text	n/a	BBB+ (Negative)	
Credit rating - Moody's	Text	n/a	Baa1 (Negative)	
Credit rating - Standard and Poor's	Text	n/a	N/A	
Return on RCV	%	2	3.85%	
Dividend cover	dec	2	0.00	
Funds from operations (FFO)	£m	3	191.362	
Interest cover (cash)	dec	2	2.64	
Adjusted interest cover ratio (ACICR)	dec	2	0.96	
FFO/Net debt	dec	2	0.06	
Effective tax rate	%	2	0.37%	
Retained cash flow (RCF)	£m	3	124.862	
RCF/Net debt	dec	2	0.04	
<b>Borrowings</b>				
Proportion of borrowings which are fixed rate	%	2	56.79%	
Proportion of borrowings which are floating rate	%	2	18.26%	
Proportion of borrowings which are index linked	%	2	24.95%	
Proportion of borrowings due within 1 year or less	%	2	4.79%	
Proportion of borrowings due in more than 1 year but no more than 2 years	%	2	0.26%	
Proportion of borrowings due in more than 2 years but no more than 5 years	%	2	21.12%	
Proportion of borrowings due in more than 5 years but no more than 20 years	%	2	51.26%	
Proportion of borrowings due in more than 20 years	%	2	22.57%	

The values included on the table do not include any rounding adjustments.



## Section 4: Service level

### Pro forma 4I

### Wessex Water

#### Financial derivatives

Line description	Financial derivatives – Total								
	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total accretion at 31 March	Interest rate	
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market		Payable	Receivable
Units	£m	£m	£m	£m	£m	£m	£m	%	%
DPs	3	3	3	3	3	3	3	3	3
<b>Interest rate swap (sterling)</b>									
Floating to fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Index-linked to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Foreign Exchange</b>									
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Currency interest rate</b>									
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Forward currency contracts</b>									
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Other financial derivatives</b>									
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Line description	Financial derivatives – (A) Super-senior swaps with breaks or accretion paydowns								
	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total accretion at 31 March	Interest rate	
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market		Payable	Receivable
Units	£m	£m	£m	£m	£m	£m	£m	%	%
DPs	3	3	3	3	3	3	3	3	3
<b>Interest rate swap (sterling)</b>									
Floating to fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Index-linked to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Foreign Exchange</b>									
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Currency interest rate</b>									
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

## Section 4: Service level

Forward currency contracts									
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Other financial derivatives									
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Line description	Financial derivatives – (B) Pari-passu swaps with breaks or accretion paydowns								
	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total	Interest rate	
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market	accretion at 31 March	Payable	Receivable
Units	£m	£m	£m	£m	£m	£m	£m	%	%
DPs	3	3	3	3	3	3	3	3	3

Interest rate swap (sterling)									
Floating to fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Index-linked to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Foreign Exchange									
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Currency interest rate									
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Forward currency contracts									
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Other financial derivatives									
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Line description	Financial derivatives – (C) Super-senior swaps without breaks or accretion paydowns								
	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total	Interest rate	
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market	accretion at 31 March	Payable	Receivable
Units	£m	£m	£m	£m	£m	£m	£m	%	%
DPs	3	3	3	3	3	3	3	3	3

Interest rate swap (sterling)									
Floating to fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Index-linked to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

Foreign Exchange									
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

## Section 4: Service level

Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Currency interest rate</b>									
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Forward currency contracts</b>									
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Other financial derivatives</b>									
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Financial derivatives – (D) Other swaps</b>									
Line description	Nominal value by maturity (net) at 31 March				Total value at 31 March		Total accretion at 31 March	Interest rate	
	0 to 1 years	1 to 2 years	2 to 5 years	Over 5 years	Nominal value (net)	Mark to Market		Payable	Receivable
	£m	£m	£m	£m	£m	£m	£m	%	%
Units	3	3	3	3	3	3	3	3	3
DPs	3	3	3	3	3	3	3	3	3
<b>Interest rate swap (sterling)</b>									
Floating to fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from fixed rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating to index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Floating from index linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Fixed from index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Index-linked to index-linked	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000%	0.000%
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Foreign Exchange</b>									
Cross currency swap USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Cross currency swap Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Currency interest rate</b>									
Currency interest rate swaps USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Currency interest rate swaps Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Forward currency contracts</b>									
Forward currency contracts USD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts EUR	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts YEN	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts CAD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts AUD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts HKD	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Forward currency contracts Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<b>Other financial derivatives</b>									
Other financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total financial derivatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000		

## Section 4: Service level

### Pro forma 4J

#### Wessex Water

#### Base expenditure analysis for the 12 months ended 31 March 2025 - water resources and wa

Line description	Units	DPs	Water resources	Water network+				Total
				Raw water distribution	Raw water storage	Water treatment	Treated water distribution	
Operating expenditure								
Power	£m	3	3.801	0.000	0.000	8.111	3.338	15.250
Income treated as negative expenditure	£m	3	-0.005	0.000	0.000	-0.033	-0.349	-0.387
Bulk Supply/Bulk discharge	£m	3	0.000	0.000	0.000	1.647	0.553	2.200
Renewals expensed in year (infrastructure)	£m	3	0.485	0.000	0.000	0.000	6.405	6.891
Renewals expensed in year (non-infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Other operating expenditure	£m	3	4.461	0.000	0.000	19.569	36.032	60.062
Local authority and Cumulo rates	£m	3	0.757	0.000	0.000	1.479	10.130	12.366
Service Charges								
Canal & River Trust abstraction charges/ discharge consents	£m	3	0.177	0.000	0.000	0.000	0.000	0.177
Environment Agency / NRW abstraction charges/ discharge consents	£m	3	2.461	0.000	0.000	0.165	0.017	2.643
Other abstraction charges/ discharge consents	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Location specific costs & obligations								
Costs associated with Traffic Management Act	£m	3	0.000	0.000	0.000	0.000	0.106	0.106
Costs associated with lane rental schemes	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Statutory water softening	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Total base operating expenditure	£m	3	12.137	0.000	0.000	30.938	56.232	99.308
Capital expenditure								
Maintaining the long term capability of the assets - infra	£m	3	0.571	0.108	0.000	0.235	25.845	26.760
Maintaining the long term capability of the assets - non-infra	£m	3	2.452	0.002	0.000	8.309	12.274	23.036
Total base capital expenditure	£m	3	3.022	0.110	0.000	8.544	38.119	49.796
Traffic Management Act								
Projects incurring costs associated with Traffic Management Act	nr	0	0	0	0	0	1871	1871

### Pro forma 4K

#### Wessex Water

#### Base expenditure analysis for the 12 months ended 31 March 2025 - wastewater network + and bioresour

Line description	Unit s	DPs	Expenditure in report year								Total		
			Wastewater network+					Bioresources					
			Foul	Surface water drainage	Highwa y drainag	Sewage treatment and disposal	Sludge liquor treatment	Sludge Transpor t	Sludge Treatmen t	Sludge Dispos al			
Operating expenditure													
Power	£m	3	3.911	2.288	2.122	22.737	1.051	0.030	1.076	0.032	33.247		
Income treated as negative expenditure	£m	3	-0.174	-0.102	-0.094	-0.063	0.000	-0.003	-3.241	-0.659	-4.336		
Bulk Supply/Bulk discharge	£m	3	0.009	0.006	0.005	0.101	0.006	0.000	0.033	0.000	0.160		
Renewals expensed in year (infrastructure)	£m	3	10.661	0.581	0.000	0.170	0.000	0.000	0.000	0.000	11.412		
Renewals expensed in year (non-infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Other operating expenditure	£m	3	14.007	8.196	7.600	40.593	0.656	10.731	18.349	7.273	107.405		
Local authority and Cumulo rates	£m	3	0.000	0.000	0.000	9.689	0.334	0.000	2.458	0.000	12.481		
Service Charges													
Canal & River Trust abstraction charges/ discharge consents	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
EA / NRW abstraction charges/ discharge consents	£m	3	1.364	0.798	0.740	4.353	0.048	0.000	0.047	0.004	7.354		
Other abstraction charges/ discharge consents	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Location specific costs & obligations													
Costs associated with Traffic Management Act	£m	3	0.014	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.014		
Costs associated with lane rental schemes	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Costs associated with Industrial emissions directive	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Total base operating expenditure			£m	3	29.792	11.767	10.373	77.580	2.095	10.758	18.722	6.650	167.737
Capital expenditure													
Maintaining the long term capability of the assets - infra	£m	3	24.091	1.899	0.000	0.301	0.000	0.000	0.000	0.000	26.291		
Maintaining the long term capability of the assets - non-infra	£m	3	17.516	1.105	0.000	40.480	0.008	0.256	20.371	0.225	79.960		
Total base capital expenditure	£m	3	41.607	3.004	0.000	40.781	0.008	0.256	20.371	0.225	106.251		
Traffic Management Act													
Projects incurring costs associated with Traffic management Act	nr	0	258	0	0	0	0	0	0	0	258		
Operating expenditure (AMP 7 shadow reported values)													
Power	£m	3	3.913	2.289	2.123	22.780	1.008	0.030	1.076	0.032	33.251		
Income treated as negative expenditure	£m	3	-0.174	-0.102	-0.094	-0.063	0.000	-0.003	-3.241	-0.659	-4.336		



## Pro forma 4N

## Wessex Water

## Developer services expenditure for the 12 months ended 31 March 2025 - water

Line description	Units	DPs	Water network+			RAG 4 reference
			Treated water distribution			
			Capex	Opex	Totex	
New connections	£m	3	0.000	2.875	2.875	4N.1
Requisition mains	£m	3	3.220	0.000	3.220	4N.2
Infrastructure network reinforcement	£m	3	0.677	0.000	0.677	4N.3
s185 diversions	£m	3	0.000	0.391	0.391	4N.4
Other price controlled activities	£m	3	0.068	0.012	0.081	4N.5
Total developer services expenditure	£m	3	3.965	3.278	7.243	4N.6

## Pro forma 4O

## Wessex Water

## Developer services expenditure for the 12 months ended 31 March 2025 - wastewater

Line description	Units	DPs	Wastewater network+					Total
			Foul	Surface water drainage	Highway drainage	Sewage treatment and disposal	Sludge liquor treatment	
Capex								
New connections	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Requisition sewers	£m	3	1.745	0.269	0.000	0.000	0.000	2.014
Infrastructure network reinforcement	£m	3	7.693	0.091	0.000	0.000	0.000	7.784
s185 diversions	£m	3	0.000	0.000	0.000	0.000	0.000	0.000
Other price controlled activities	£m	3	0.584	0.000	0.000	0.000	0.000	0.584
Total total developer services capex	£m	3	10.022	0.360	0.000	0.000	0.000	10.382
Opex								
New connections	£m	3	0.257	0.000	0.000	0.000	0.000	0.257
Requisition sewers	£m	3	0.032	0.000	0.000	0.000	0.000	0.032
Infrastructure network reinforcement	£m	3	0.045	0.000	0.000	0.000	0.000	0.045
s185 diversions	£m	3	0.320	0.000	0.000	0.000	0.000	0.320
Other price controlled activities	£m	3	0.000	0.123	0.000	0.000	0.000	0.123
Total developer services opex	£m	3	0.654	0.123	0.000	0.000	0.000	0.777
Totex								
Total developer services expenditure	£m	3	10.676	0.483	0.000	0.000	0.000	11.159

## Pro forma 4P

## Wessex Water

## Expenditure on non-price control diversions for the 12 m

Line description	Units	DPs	Water resources	Water network+	Wastewater network+	Total
<b>Capex</b>						
Capex associated with NSWRA diversions	£m	3	0.000	0.000	0.000	0.000
Capex associated with other non-price control diversions	£m	3	0.000	0.000	0.000	0.000
Other developer services non-price control capex	£m	3	0.000	0.000	0.000	0.000
Developer services non-price control capex	£m	3	0.000	0.000	0.000	0.000
<b>Opex</b>						
Opex associated with NSWRA diversions	£m	3	0.000	1.188	0.068	1.256
Opex associated with other non-price control diversions	£m	3	0.000	0.000	0.000	0.000
Other developer services non-price control opex	£m	3	0.000	0.000	0.000	0.000
Developer services non-price control opex	£m	3	0.000	1.188	0.068	1.256
<b>Totex</b>						
Costs associated with NSWRA diversions	£m	3	0.000	1.188	0.068	1.256
Costs associated with other non-price control diversions	£m	3	0.000	0.000	0.000	0.000
Other developer services non-price control totex	£m	3	0.000	0.000	0.000	0.000
Developer services non-price control totex	£m	3	0.000	1.188	0.068	1.256

# Pro forma 4Q

## Wessex Water

### Developer services - New connections, properties

Line description	Units	DPs	Water	Wastewater	Total
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#### Connections volume data

New connections (residential – excluding NAVs)	nr	0	1907	5069	6976
New connections (business – excluding NAVs)	nr	0	181	325	506
Total new connections served by incumbent	nr	0	2088	5394	7482

New connections – SLPs	nr	0	770		
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#### Properties volume data

New properties (residential - excluding NAVs)	nr	0	2348	5069	7417
New properties (business - excluding NAVs)	nr	0	223	325	548
Total new properties served by incumbent	nr	0	2571	5394	7965
New residential properties served by NAVs	nr	0	1161	2515	3676
New business properties served by NAVs	nr	0	4	17	21
Total new properties served by NAVs	nr	0	1165	2532	3697
Total new properties	nr	0	3736	7926	11662

New properties – SLP connections	nr	0	770		
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#### New water mains data

Length of new mains (km) - requisitions	nr	0	9		
Length of new mains (km) - SLPs	nr	0	5		

Pro forma 4R  
Wessex Water

#### Connected properties, customers and population

Line description	Units	DPs	Unmeasured	Measured	Total	Voids
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##### Customer numbers - average during the year

Residential water only customers	000s	3	17,112	24,994	42,106	0.688
Residential wastewater only customers	000s	3	202,251	471,856	674,107	12,511
Residential water and wastewater customers	000s	3	131,158	415,016	546,174	7,926
Total residential customers	000s	3	350,521	911,866	1,262,387	21,125
Business water only customers	000s	3	0,494	17,089	17,583	1,297
Business wastewater only customers	000s	3	1,814	29,315	31,129	2,270
Business water & wastewater customers	000s	3	2,353	24,058	26,411	2,023
Total business customers	000s	3	4,661	70,462	75,123	5,590
Total customers	000s	3	355,182	982,328	1,337,510	26,715

Line description	Units	DPs	Unmeasured	Water Measured	Total	Unmeasured	Wastewater Measured	Total
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##### Property numbers - average during the year

Residential properties billed	000s	3	148,270	440,010	588,280	333,409	886,872	1,220,281
Residential void properties	000s	3			8,614			20,437
Total connected residential properties	000s	3			596,894			1,240,718
Business properties billed	000s	3	2,847	41,147	43,994	4,167	53,373	57,540
Business void properties	000s	3			3,320			4,293
Total connected business properties	000s	3			47,314			61,833
Total connected properties	000s	3			644,208			1,302,551

Line description	Units	DPs	Water					Wastewater					Uneconomic to bill	Unbilled Other	Total	Total
			No meter	Basic meter	AMR meter	AMI meter (capable)	AMI meter (active)	Total	No meter	Basic meter	AMR meter	AMI meter (capable)	AMI meter (active)	Total		

##### Property and meter numbers - at end of year (31 March)

Total new residential properties connected in year	000s	3	0.022	0.000	0.000	0.000	0.000	0.022	0.000	2.148	0.141	0.000	0.000	2.289		2,311
Total number of new business properties connections	000s	3	0.005	0.000	0.000	0.000	0.000	0.005	0.000	0.070	0.000	0.000	0.000	0.070		0,075
Residential properties billed at year end	000s	3	141,872	2,844	0.981	0.000	0.000	145,697	0.000	435,531	8,397	0.000	0.000	443,928		589,625
Residential properties unbilled at year end	000s	3													0.000	0,000
Residential void properties at year end	000s	3						3,171						5,604		8,775
Total connected residential properties at year end	000s	3						148,868						449,532		598,400
Total number of new business properties connections	000s	3	2,816	0.000	0.000	0.000	0.000	2,816	0.000	41,140	0.080	0.000	0.000	41,220		44,036
Business properties unbilled at year end	000s	3													0.000	0,000
Business void properties at year end	000s	3						0.495						2,743		3,239
Total connected business properties at year end	000s	3						3,312						43,963		47,275

## Section 4: Service level

Total connected properties at year end		000s	3					152 180					493 495				645 675
Line description		Units	DPs	Water	Wastewater												
Population data																	
Resident population		000s	3	1406.053	2923 931												
Non-resident population (wastewater)		000s	3		40 95												
Household population data		Units	DPs	Resident population	Water resident	Total											
Household population		000s	3	1360 283	6 755	1367 038											
Household measured population (water only)		000s	3	924 835	4 593	929 428											
Household unmeasured population (water only)		000s	3	435 449	2 162	437 611											



## Section 4: Service level

### Pro forma 4V Wessex Water

#### Mark-to-market of financial derivatives analysed based on payment dates

Line description	Units	DPs	Derivatives - Analysed by earliest payment date				Derivatives - Analysed by expected maturity date			
			Net settled	Gross Settled outflows	Gross Settled inflows	Total	Net settled	Gross Settled outflows	Gross Settled inflows	Total
Due within one year	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Between one and two years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Between two and three years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Between three and four years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Between four and five years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
After five years	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

## Section 4: Service level

### Pro forma 4W Wessex Water

#### Defined Benefit Pension Scheme – Additional Information

Line description	Units	DPs	Defined benefit pension schemes		
			Pension scheme 1	Pension scheme 2	Pension scheme 3
Scheme details					
Scheme name	Text	n/a	Wessex Water Pension Scheme		
Scheme status	Text	n/a	Closed to new members		
Scheme valuation under IAS/IFRS/FRS					
Scheme assets	£m	3	538.200		
Scheme liabilities	£m	3	516.900		
Scheme surplus / (deficit) Total	£m	3	21.300	0.000	0.000
Scheme surplus / (deficit) Appointed business	£m	3	21.300		
Pension deficit recovery payments	£m	3	0.000		
Scheme valuation under part 3 of Pensions Act 2004					
Scheme funding valuation date	Date	n/a	30/09/2022		
Assets	£m	3	575.200		
Technical Provisions	£m	3	610.500		
Scheme surplus / (deficit)	£m	3	-35.300	0.000	0.000
Discount rate assumptions	Text	n/a	Pre Retirement: Fixed-interest gilt yield curve plus 2.25% p.a. Post Retirement: Fixed-interest gilt yield curve plus 0.75% p.a.		
Recovery plan (where applicable)					
Recovery Plan Structure	Text	n/a	Recovery plan agreed on 30 March 2023. The company is due to pay deficit contributions of £18.4m by 1 July 2023 and up to £20.2m by 1 July 2024, with the amount falling due dependent upon the Scheme's funding position ahead of the payment date.		
Recovery plan end date	Date	n/a	01/07/2024		
Asset Backed Funding (ABF) arrangements	Text	n/a	Not Applicable		
Responsibility for ABF arrangements	Text	n/a	Not Applicable		

### Pro forma 4Z Wessex Water

#### Household bill reduction schemes, debt and Guaranteed Standards Scheme (GSS) payments

Line description	Revenue	Number of customers	Average amount per customer
Units	£m	000s	£
DPs	3	3	3

#### Section A - other direct bill reduction schemes for household customers struggling to pay

Other bill reduction schemes				
Line description	Target households	Number of unique households helped by scheme	Total amount bills reduced by through scheme	Funding source
Units	Text	number	£'000s	Text
DPs			3	
Assist	Customers who are struggling to	23,400.000	7,911.990	Customers not on social tariffs
DLIP (Discount for Low Income Pensioners)	Customers in receipt of pension	31,147.000	1,970.872	Customers not on social tariffs
Name of scheme 3				
Name of scheme 4				
Name of scheme 5				
Name of scheme 6				
Name of scheme 7				
Name of scheme 8				
Name of scheme 9				
Name of scheme 10				

## Section 4: Service level

Section B - debt metrics

Total number of household customers served - active and final accounts			
Line description	Water only	Wastewater only	Dual service
Units	number	number	number
DPs			
Number of household customers served – active accounts	42,253.000	679,095.000	537,614.000
Number of household customers served – final accounts	671.000	36,590.000	21,289.000
Household customers in arrears			
Line description	Number of households	Total amount of debt	
Units	number	£'000s	
DPs		3	
Households in arrears – active accounts with debt repayment arrangements	29,689.000	25,058.145	
Households in arrears – final accounts with debt repayment arrangements	5,162.000	2,995.820	
Households in arrears – active accounts without debt repayment arrangements	48,748.000	54,888.312	
Households in arrears – final accounts without debt repayment arrangements	49,848.000	17,169.752	
Households not having made any payment for the year – active accounts	37,853.000	47,101.064	
Households not having made any payment for the year – final accounts	46,993.000	15,746.965	
Temporary payment suspension			
Line description	Number of households	Total amount deferred	
Units	number	£'000s	
DPs		3	
Households with temporarily suspended payments – payment break arrangements	586.000	294.371	
Households with temporarily suspended payments – breathing space arrangements	133.000	132.602	
Household debt collection through third party agents where water company remains creditor			
Line description	Number of households	Total value of debt	
Units	number	£'000s	
DPs		3	
Debt collected by external agents – active accounts	2,169.000	385,815.847	
Debt collected by external agents – final accounts	476.000	62,891.955	
PSR customers with debt passed on to external debt collection agents – active and final accounts	2.000	40.511	
Household debt sold to external agencies			
Line description	Number of accounts	Total value of debt	Total sale value of debt
Units	number	£'000s	£'000s
DPs		3	3
Debt sold to an external agency / third party debt purchaser – active accounts	0.000	0.000	0.000
Debt sold to an external agency / third party debt purchaser – final accounts	0.000	0.000	0.000
Active and final PSR accounts (and total debt involved) referred to an external agency that has bought the customer debt from the water company during the reporting year.	0.000	0.000	0.000
Payment matching activities			
Line description	Number of accounts	Total value of payment matches	
Units	number	£'000s	
DPs		3	
Active accounts supported through the matched payment schemes and the total contribution of matched payments made by the water company for the reporting year	4,800.000	2,511.883	
Final accounts supported through the matched payment schemes and the total contribution of matched payments made by the water company for the reporting year	244.000	92.437	
Unpaid household bills referred to courts			
Line description	Number of accounts	Total amount involved	
Units	number	£'000s	
DPs		3	
Number of county court claims	872.000	1,904.711	
Number of county court judgements	795.000	1,752.240	
Number of county court judgement enforcements	596.000	1,313.602	
Number of high court claims	0.000	0.000	
Number of high court judgements	0.000	0.000	
Number of high court judgement enforcements	0.000	0.000	

## Section 4: Service level

### Section C - Payments to household customers made in accordance with the Guaranteed Standards Scheme (GSS)

#### GSS payments to household customers

Line description	Number of payments	Total amount	Number of unique households
Units	number	£'000s	number
DPs		3	
Total value of payments made to household customers under GSS		259.975	
Total number of payments made to household customers under GSS	4,127,000		
Total number of unique household customers receiving GSS payments			3,800,000

#### Number and value of statutory payments and other payments in excess of the statutory amounts for events that are currently part of the GSS to household customers by type in the reporting period

Line description	Total number of times the statutory GSS amounts were paid to household customers	Total value of payments made in relation to column 1	Total number of times amounts higher than the statutory GSS amounts were paid to household customers for GSS related events.	Total value of payments made in relation to column 3	Total number of times the statutory GSS penalty payments were made to household customers	Total value of payments made in relation to column 5
Units	number	£'000s	number	£'000s	number	£'000s
DPs		3		3		3
Appointments not kept	344.500	6.875	340.500	4.188	10.000	0.200
Appointment notification not given	0.000	0.000	0.000	0.000	0.000	0.000
Incidences of low water pressure	61.000	1.525	0.000	0.000		
Incorrect notice of planned interruptions to supply	28.000	0.560	28.000	0.140	0.000	0.000
Supply not restored - initial period	2,258.000	45.160	2,258.000	67.985	55.000	1.100
Supply not restored - each 24 hr period	0.000	0.000	0.000	0.000		
Account/billing queries not responded to	95.500	1.838	81.000	0.460	1.500	0.035
Requests for changes to payment arrangements not responded to	0.000	0.000	0.000	0.000	0.000	0.000
Written complaints not responded to within 10 working days	3.500	0.070	2.500	0.488	0.000	0.000
Properties sewer flooded internally	145.000	38.892	25.000	11.183	33.000	0.660
Properties sewer flooded externally	1,089.000	163.001	14.000	6.317	3.000	0.060

#### Number and value of payments made to household customers for events that are currently not part of the GSS

Line description	Total number of payments for all events that are not part of the current GSS scheme	Total value of payments made in relation to column 1
Units	number	£'000s
DPs		3
Payment type_1	1.500	0.038
Payment type_2	2.000	0.050
Payment type_3	183.000	15.029
Payment type_4	389.000	37.903
Payment type_5	2,314.000	12.140
Payment type_6	1.000	0.120
Payment type_7	0.000	0.000
Payment type_8	0.000	0.000
Payment type_9	0.000	0.000
Payment type_10	0.000	0.000

## Section 4: Service level

Number and value of statutory GSS penalty payments made to household customers		
Line description	Total number of penalty payments made under the current GSS scheme	Total value of payments made in relation to column 1
Units	number	£'000s
DPs		3
Penalty payments made under the current GSS scheme	102,500	2,055

# Section 5: Water resources

Pro forma 5A

Wessex Water

## Water resources asset and volumes data for the 12 months

Line description	Units	DPs	Input
<b>Water resources</b>			
Water from impounding reservoirs	MI/d	2	81.78
Water from pumped storage reservoirs	MI/d	2	1.04
Water from river abstractions	MI/d	2	4.95
Water from groundwater works,excluding managed aquifer recharge (MAR) water supply schemes	MI/d	2	246.81
Water from artificial recharge (AR) water supply schemes	MI/d	2	0.00
Water from aquifer storage and recovery (ASR) water supply schemes	MI/d	2	0.00
Water from saline abstractions	MI/d	2	0.00
Water from water reuse schemes	MI/d	2	0.00
Number of impounding reservoirs	nr	0	10
Number of pumped storage reservoirs	nr	0	1
Number of river abstractions	nr	0	0
Number of groundwater works excluding managed aquifer recharge (MAR) water supply schemes	nr	0	156
Number of artificial recharge (AR) water supply schemes	nr	0	0
Number of aquifer storage and recovery (ASR) water supply schemes	nr	0	0
Number of saline abstraction schemes	nr	0	0

## Section 5: Water resources

Number of reuse schemes	nr	0	0
Total number of sources	nr	0	167
Total number of water reservoirs	nr	0	11
Total volumetric capacity of water reservoirs	MI	0	20248
Total number of intake and source pumping stations	nr	0	83
Total installed power capacity of intake and source pumping stations	kW	0	8068
Total length of raw water abstraction mains and other conveyors	km	2	112.99
Average pumping head – raw water abstraction	m.hd	2	32.74
Energy consumption - water resources (MWh)	MWh	3	8,507.041
Total number of raw water abstraction imports	nr	0	0
Water imported from 3rd parties to raw water abstraction systems	MI/d	2	0.00
Total number of raw water abstraction exports	nr	0	0
Water exported to 3rd parties from raw water abstraction systems	MI/d	2	0.00
Water resources capacity (measured using water resources yield)	MI/d	2	397.02
Total number of completed investigations (WINEP/NEP), cumulative for AMP	nr	0	28.00

Pro forma 5B

Wessex Water

## Water resources operating cost analysis for the 12 months ended 31 March 2025

Line description	Units	DPS	Impounding Reservoir	Pumped Storage	River Abstractions	Groundwater, excluding MAR water supply schemes	Artificial Recharge (AR) water supply schemes	Aquifer Storage and Recovery (ASR) water supply schemes	Other	Total
Power	£m	3	0.929	0.012	0.056	2.804	0.000	0.000	0.000	3.801
Income treated as negative expenditure	£m	3	-0.001	0.000	0.000	-0.004	0.000	0.000	0.000	-0.005
Abstraction charges/ discharge consents	£m	3	0.645	0.008	0.039	1.946	0.000	0.000	0.000	2.638
Bulk supply	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Other operating expenditure</b>										
Renewals expended in year (Infrastructure)	£m	3	0.119	0.002	0.007	0.357	0.000	0.000	0.000	0.485
Renewals expended in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other operating expenditure excluding renewals	£m	3	1.090	0.014	0.066	3.291	0.000	0.000	0.000	4.461
Local authority and Cumulo rates	£m	3	0.185	0.002	0.011	0.559	0.000	0.000	0.000	0.757
Total operating expenditure (excluding 3rd party)	£m	3	2.967	0.038	0.179	8.953	0.000	0.000	0.000	12.137

# Section 6: Water network plus

## Narrative on costs

This year we have no water treatment works that have not been used during the whole report year.

## Supply-demand balance and metering

Please see Section 4 - Supply-demand balance and metering.

### Pro forma 6A

### Wessex Water

#### Raw water transport, raw water storage and water treatment data for the 12 months

Line description	Units	DPs	Input	
<b>Raw water transport and storage</b>				
Total number of balancing reservoirs	nr	0	0	
Total volumetric capacity of balancing reservoirs	MI	0	0	
Total number of raw water transport stations	nr	0	2	
Total installed power capacity of raw water transport pumping stations	kW	0	135	
Total length of raw water transport mains and other conveyors	km	2	134.96	
Average pumping head ~ raw water transport	m.hd	2	98.20	
Energy consumption – raw water transport (MWh)	MWh	3	112.462	
Total number of raw water transport imports	nr	0	0	
Water imported from 3rd parties to raw water transport systems	MI/d	2	0.00	
Total number of raw water transport exports	nr	0	1	
Water exported to 3rd parties from raw water transport systems	MI/d	2	0.02	
Total length of raw and pre-treated (non-potable) water transport mains for supplying customers	km	2	6.50	



## Section 6: Water network plus

Water treatment - treatment type analysis	Surface water		Ground water	
	Water treated	Number of works	Water treated	Number of works
Units	MI/d	nr	MI/d	nr
DPs	2	0	2	0
All simple disinfection works	0.00	0	85.32	25
W1 works	0.00	0	37.53	10
W2 works	0.00	0	40.07	5
W3 works	0.00	0	0.00	0
W4 works	72.60	3	81.99	16
W5 works	15.17	2	1.90	3
W6 works	0.00	0	0.00	0

Water treatment - works size	% of total DI	Number of works		
Units	DI	nr		
DPs	1	0		
WTWs in size band 1	4.1	18		
WTWs in size band 2	2.6	5		
WTWs in size band 3	12.6	14		
WTWs in size band 4	31.0	17		
WTWs in size band 5	33.0	9		
WTWs in size band 6	0.0	0		
WTWs in size band 7	16.5	1		
WTWs in size band 8	0.0	0		

Water treatment - other information	Units	DPs	Input	
Peak week production capacity (PWPC)	MI/d	2	563.00	
Total peak week production capacity (PWPC) having enhancement expenditure for grey solution improvements to address raw water quality deterioration	MI/d	2	33.80	
Total peak week production capacity (PWPC) having enhancement expenditure for green solutions improvements to address raw water quality deterioration	MI/d	2	215.56	
Total water treated at more than one type of works	MI/d	2	0.00	
Number of treatment works requiring remedial action because of raw water deterioration	nr	0	24	
Zonal population receiving water treated with orthophosphate	000's	3	693.058	
Average pumping head – water treatment	m.hd	2	6.85	
Energy consumption - water treatment (MWh)	MWh	3	58589.170	
Total number of water treatment imports	nr	0	0	
Water imported from 3rd parties to water treatment works	MI/d	2	0.00	
Total number of water treatment exports	nr	0	0	
Water exported to 3rd parties from water treatment works	MI/d	2	0.00	

## Pro forma 6B

## Wessex Water

## Treated water distribution - assets and operations for the 12 months ending 31 March 2025

Line description	Units	DPs	Input
<b>Assets and operations</b>			
Total installed power capacity of potable water pumping stations	kW	0	30059
Total volumetric capacity of service reservoirs	MI	1	620.2
Total volumetric capacity of water towers	MI	1	9.0
Water delivered (non-potable)	MI/d	2	0.00
Water delivered (potable)	MI/d	2	274.09
Water delivered (billed measured residential properties)	MI/d	2	122.05
Water delivered (billed measured businesses)	MI/d	2	74.03
Proportion of distribution input derived from impounding reservoirs	Propn 0 to	3	0.244
Proportion of distribution input derived from pumped storage reservoirs	Propn 0 to	3	0.003
Proportion of distribution input derived from river abstractions	Propn 0 to	3	0.015
Proportion of distribution input derived from groundwater works, excluding managed aquifer recharge (MAR) water supply schemes	Propn 0 to 1	3	0.738
Proportion of distribution input derived from artificial recharge (AR) water supply schemes	Propn 0 to 1	3	0.000
Proportion of distribution input derived from aquifer storage and recovery (ASR) water supply schemes	Propn 0 to 1	3	0.000
Proportion of distribution input derived from saline abstractions	Propn 0 to	3	0.000
Proportion of distribution input derived from water reuse schemes	Propn 0 to	3	0.000
Total number of potable water pumping stations that pump into and within the treated water distribution system	nr	0	295

## Section 6: Water network plus

Number of potable water pumping stations delivering treated groundwater into the treated water distribution system	nr	0	55
Number of potable water pumping stations delivering surface water into the treated water distribution system	nr	0	5
Number of potable water pumping stations that re-pump water already within the treated water distribution system	nr	0	233
Number of potable water pumping stations that pump water imported from a 3rd party supply into the treated water distribution system	nr	0	2
Total number of service reservoirs	nr	0	299
Number of water towers	nr	0	11
Energy consumption – treated water distribution (MWh)	MWh	3	29206.158
Average pumping head – treated water distribution	m.hd	2	90.09
Total number of treated water distribution imports	nr	0	13
Water imported from 3rd parties to treated water distribution systems	MI/d	2	7.50
Total number of treated water distribution exports	nr	0	46
Water exported to 3rd parties from treated water distribution systems	MI/d	2	1.29
Peak 7 day rolling average distribution input	MI/d	2	379.19
Peak 7 day rolling average distribution input / annual average distribution input	%	2	112.12%
<b>Water balance - company level</b>			
Measured household consumption (excluding supply pipe leakage)	MI/d	2	117.56
Unmeasured household consumption (excluding supply pipe leakage)	MI/d	2	61.69
Measured non-household consumption (excluding supply pipe leakage)	MI/d	2	73.70
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/d	2	3.64
Total annual leakage	MI/d	2	69.11
Distribution system operational use	MI/d	2	2.61
Water taken unbilled	MI/d	2	6.27
Distribution input	MI/d	2	334.58
Distribution input (pre-MLE)	MI/d	2	338.20
<b>Water balance - region 1</b>			
Measured household consumption (excluding supply pipe leakage)	MI/d	2	
Unmeasured household consumption (excluding supply pipe leakage)	MI/d	2	

## Section 6: Water network plus

Measured non-household consumption (excluding supply pipe leakage)	MI/d	2	
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/d	2	
Total annual leakage	MI/d	2	
Distribution system operational use	MI/d	2	
Water taken unbilled	MI/d	2	
Distribution input	MI/d	2	
Distribution input (pre-MLE)	MI/d	2	
<b>Water balance - region 2</b>			
Measured household consumption (excluding supply pipe leakage)	MI/d	2	
Unmeasured household consumption (excluding supply pipe leakage)	MI/d	2	
Measured non-household consumption (excluding supply pipe leakage)	MI/d	2	
Unmeasured non-household consumption (excluding supply pipe leakage)	MI/d	2	
Total annual leakage	MI/d	2	
Distribution system operational use	MI/d	2	
Water taken unbilled	MI/d	2	
Distribution input	MI/d	2	
Distribution input (pre-MLE)	MI/d	2	
<b>Components of total leakage (post MLE) - company level</b>			
Leakage upstream of DMA	MI/day	2	7.55
87 Distribution main losses	MI/day	2	50.33
Customer supply pipe losses – measured households excluding void properties	MI/day	2	4.49
Customer supply pipe losses – unmeasured households excluding void properties	MI/day	2	5.92
Customer supply pipe losses – measured non-households excluding void properties	MI/day	2	0.33
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/day	2	0.02
Customer supply pipe losses – void measured households	MI/day	2	0.22
Customer supply pipe losses – void unmeasured households	MI/day	2	0.12
Customer supply pipe losses – void measured non-households	MI/day	2	0.11
Customer supply pipe losses – void unmeasured non-households	MI/day	2	0.02
<b>Components of total leakage (post MLE) - region 1</b>			
Leakage upstream of DMA	MI/day	2	
Distribution main losses	MI/day	2	
Customer supply pipe losses – measured households excluding void properties	MI/day	2	
Customer supply pipe losses – unmeasured households excluding void properties	MI/day	2	
Customer supply pipe losses – measured non-households excluding void properties	MI/day	2	
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/day	2	
Customer supply pipe losses – void measured households	MI/day	2	
Customer supply pipe losses – void unmeasured households	MI/day	2	
Customer supply pipe losses – void measured non-households	MI/day	2	
Customer supply pipe losses – void unmeasured non-households	MI/day	2	
<b>Components of total leakage (post MLE) - region 2</b>			
Leakage upstream of DMA	MI/day	2	
Distribution main losses	MI/day	2	
Customer supply pipe losses – measured households excluding void properties	MI/day	2	
Customer supply pipe losses – unmeasured households excluding void properties	MI/day	2	
Customer supply pipe losses – measured non-households excluding void properties	MI/day	2	
Customer supply pipe losses – unmeasured non-households excluding void properties	MI/day	2	
Customer supply pipe losses – void measured households	MI/day	2	
Customer supply pipe losses – void unmeasured households	MI/day	2	
Customer supply pipe losses – void measured non-households	MI/day	2	
Customer supply pipe losses – void unmeasured non-households	MI/day	2	

## Pro forma 6C

## Wessex Water

## Water network+ - Mains, communication pipes and other data for the 12 months ending 31 March 2021

Line description	Units	DPs	Input
<b>Treated water distribution - mains analysis</b>			
Total length of potable mains as at 31 March	km	1	12162.7
Total length of potable mains relined	km	1	0.0
Total length of potable mains renewed	km	1	28.0
Total length of new potable mains	km	1	26.6
Total length of potable water mains (≤320mm)	km	1	11190.9
Total length of potable water mains (>320mm and ≤ 450mm)	km	1	571.6
Total length of potable water mains (>450mm and ≤610mm)	km	1	316.3
Total length of potable water mains (> 610mm)	km	1	83.9
<b>Treated water distribution - mains age profile</b>			
Total length of potable mains laid or structurally refurbished pre-1880	km	1	72.7
Total length of potable mains laid or structurally refurbished between 1881 and 1900	km	1	322.1
Total length of potable mains laid or structurally refurbished between 1901 and 1920	km	1	397.6
Total length of potable mains laid or structurally refurbished between 1921 and 1940	km	1	1486.4
Total length of potable mains laid or structurally refurbished between 1941 and 1960	km	1	2178.7
Total length of potable mains laid or structurally refurbished between 1961 and 1980	km	1	2653.4
Total length of potable mains laid or structurally refurbished between 1981 and 2000	km	1	2773.9
Total length of potable mains laid or structurally refurbished between 2001 and 2020	km	1	2008.1
Total length of potable mains laid or structurally refurbished post during and after 2021	km	1	269.8
<b>Communication pipes</b>			
Number of lead communication pipes	nr	0	106836
Number of galvanised iron communication pipes	nr	0	69689
Number of other communication pipes	nr	0	439284
Number of lead communication pipes replaced or relined for water quality	nr	0	1132
<b>Other</b>			
Company area	km <sup>2</sup>	0	7318
Compliance Risk Index	nr	2	1.30
Event Risk Index	nr	0	61
Properties below reference level at end of year	nr	0	84

## Section 6: Water network plus

Pro forma 6D

Wessex Water

### Demand management - Metering and leakage activities for the 12 months ended 31 March

Line description	Units	DPs	Basic meter	AMR meter	AMI meter
<b>Metering activities - Totex expenditure</b>					
New optant meter installation for existing customers	£m	3	1.910	0.063	0.000
New selective meter installation for existing customers	£m	3	0.080	0.000	0.000
New business meter installation for existing customers	£m	3	0.012	0.004	0.000
Residential meters renewed	£m	3	0.722	0.065	0.000
Business meters renewed	£m	3	0.420	0.005	0.000
<b>Metering activities - Explanatory variables</b>					
New optant meters installed for existing customers	000s	3	6.172	0.182	0.000
New selective meters installed for existing customers	000s	3	0.267	0.000	0.000
New business meters installed for existing customers	000s	3	0.050	0.020	0.000
Residential meters renewed	000s	3	1.862	0.149	0.000
Business meters renewed	000s	3	0.453	0.011	0.000
Replacement of basic meters with smart meters for residential customers	000s	3	0	0.000	0.000
Replacement of AMR meter with AMI meters for residential customers	000s	3	0	0	0.000
Replacement of basic meters with smart meters for business customers	000s	3	0	0.000	0.000
Replacement of AMR meter with AMI meters for business customers	000s	3	0	0	0.000
New residential meters installed for existing customers – supply-demand balance benefit	MI/d	2	0.10	0.00	0.00
New business meters installed for existing customers – supply-demand balance benefit	MI/d	2	0.00	0.00	0.00
Replacement of basic meter with smart meters for residential customers – supply-demand balance benefit	MI/d	2		0.00	0.00
Replacement of AMR meter with AMI meter for residential customers – supply-demand balance benefit	MI/d	2			0.00
Replacement of basic meter with smart meters for business customers – supply-demand balance benefit	MI/d	2		0.00	0.00
Replacement of AMR meter with AMI meter for business customers – supply-demand balance benefit	MI/d	2			0.00
Residential properties - meter penetration	%	1	73.4	1.4	0.0
<b>Leakage activities</b>					
Total leakage activity	£m	3	39.107	2.471	41.578
Leakage improvements delivering benefits in 2020-25	MI/d	2			0.66
<b>Per capita consumption (excluding supply pipe leakage)</b>					
Per capita consumption (measured)	l/h/d	2	126.48		
Per capita consumption (unmeasured)	l/h/d	2	140.98		



# Section 7: Wastewater network plus

## Narrative on costs

We agree that the term 'structurally refurbished' refers to any repair which improves the structural integrity of the pipe such that its expected service life is extended. We have reported our repair length in Line 7C.15 to that definition. The actual length of repair for proactive rising main repairs is known and reported. The actual length of repair is known for most reactive rising main repairs, however a 1m repair length is assumed where the actual length of repair is not known.

All our water recycling centres reported against lines 7D.17 – 20 (population equivalent at STWs with new/tightened consents) have been delivered primarily by capex solutions. No population equivalent has been assigned to the opex associated with Catchment Nutrient Balancing.

### Pro forma 7A

#### Wessex Water

#### Wastewater network+ - Functional expenditure for the 12 months

Line description	Units	DPs	£'000
<b>Costs of STWs in size bands 1 to 5</b>			
Direct costs of STWs in size band 1	000s	3	2,595.201
Direct costs of STWs in size band 2	000s	3	1,668.726
Direct costs of STWs in size band 3	000s	3	8,363.669
Direct costs of STWs in size band 4	000s	3	12,084.705
Direct costs of STWs in size band 5	000s	3	16,485.574
General & support costs of STWs in size bands 1 to 5	000s	3	1,286.123
Functional expenditure of STWs in size bands 1 to 5 (excluding 3rd party services)	000s	3	42,483.998
<b>Costs of large STWs (size band 6)</b>			
Service charges for STWs in size band 6	000s	3	1,080.988
Estimated terminal pumping costs size band 6 works	000s	3	1,050.107
Other direct costs of STWs in size band 6	000s	3	48,704.461
Direct costs of STWs in size band 6	000s	3	50,835.556
General & support costs of STWs in size band 6	000s	3	1,586.993
Functional expenditure of STWs in size band 6 (excluding 3rd party services)	000s	3	52,422.549
<b>Costs of STWs - all sizes</b>			
Total operating functional expenditure (excluding 3rd party services)	000s	3	94,906.547

## Pro forma 7C

## Wessex Water

## Wastewater network+ - Sewer and volume data for the 12 months

Line description	Units	DPs	Input
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## Wastewater network (as at 31 March)

Connectable properties served by s101A schemes completed in the report year	nr	0	0
Number of s101A schemes delivered in the report year	nr	0	0
Total pumping station capacity	kW	0	49,406
Number of network pumping stations	nr	0	2,196
Total number of sewer blockages	nr	0	12,887
Total number of gravity sewer collapses	nr	0	91
Total number of sewer rising main bursts	nr	0	85
Number of combined sewer overflows	nr	0	1,105
Number of emergency overflows - sewage pumping stations	nr	0	182
Number of settled storm overflows	nr	0	190
Sewer age profile (constructed post 2001)	km	0	4,534
Volume of trade effluent	MI/yr	2	9,513.77
Volume of wastewater receiving treatment at sewage treatment works	MI/yr	2	368,255.05
Length of gravity sewers rehabilitated	km	0	42
Length of rising mains replaced or structurally refurbished	km	0	3
Length of foul (only) public sewers	km	0	9,278
Length of surface water (only) public sewers	km	0	4,510
Length of combined public sewers	km	0	3,137
Length of rising mains	km	0	1,270
Length of other wastewater network pipework	km	0	0
Total length of "legacy" public sewers as at 31 March	km	0	18,195
Length of formerly private sewers and lateral drains (s105A sewers)	km	0	16,992

## Storm overflows - additional reporting (as at 1 January)

Number of combined sewer overflows (as at 1 January)	nr	0	1,101
Number of settled storm overflows (as at 1 January)	nr	0	197
Number of storm overflows - other (as at 1 January)	nr	0	0



## Section 7: Wastewater network plus

Number of storm overflows - pending investigation (as at 1 January)	nr	0	12
Number of permitted storm overflows closed in the previous reporting year (as at 1 January)	nr	0	0
Number of storm overflows - consistent with PR24 performance commitment definition	nr	0	1,310
Number of storm overflows closed in the previous reporting year - (as at 1 January)	nr	0	0
Number of storm overflows with event duration monitors installed (as at 1 January)	nr	0	1,298
Proportion of the time that event duration monitors on storm overflows were operational (from 1 January to 31 December)	%	2	98.45%
Number of spills from storm overflows (from 1 January to 31 December)	nr	0	44,068

Emergency overflows - additional reporting (as at 1 January)			
Number of emergency overflows - sewage pumping stations (as at 1 January)	nr	0	179
Number of emergency overflows - network (as at 1 January)	nr	0	0
Number of emergency overflows - other (as at 1 January)	nr	0	0
Number of emergency overflows - all (as at 1 January)	nr	0	179
Number of emergency overflows with event duration monitors installed (as at 1 January)	nr	0	179
Number of emergency overflows with an MCERTS certified event duration monitors installed (as at 1 January)	nr	0	0
Proportion of the time that event duration monitors on emergency overflows were operational (from 1 January to 31 December)	%	2	99.55%
Number of spills from emergency overflows (from 1 January to 31 December)	nr	0	2,387

## Section 7: Wastewater network plus

Pro forma 7D

Wessex Water

Wastewater network+ - Sewage treatment works data for the 12 months ended 31 March 2025

Line description	Units	DPs	Treatment categories							Treatment works consents										Ammonia								
			Primary	Activated Sludge	Biological	A1	A2	B1	B2	Total	Phosphorus			BOD <sub>5</sub>														
											<=0.5mg/l	>0.5 to <=1mg/l	>1mg/l	No permit	Total	<=7mg/l	>7 to <=10mg/l	>10 to <=20mg/l	>20mg/l	No permit	Total	<=1mg/l	>1 to <=3mg/l	>3 to <=10mg/l	>10mg/l	No permit	Total	
Load received at sewage treatment works	kgBOD <sub>5</sub> /day	0	10	87	342	31	17	16	20	591	0	0	0	592	592	0	0	121	114	356	591	0	15	61	127	368	591	
Load received by STWs in size band 1	kgBOD <sub>5</sub> /day	0	0	17	373	41	0	##	##	696	0	0	0	123	566	695	0	0	271	408	16	695	0	0	356	303	36	695
Load received by STWs in size band 2	kgBOD <sub>5</sub> /day	0	0	306	2,102	##	##	##	##	6,653	69	1,620	786	4,147	6,654	0	163	3,750	2,721	0	6,654	0	163	3,511	2,873	67	6,654	
Load received by STWs in size band 3	kgBOD <sub>5</sub> /day	0	0	1,707	2,050	##	##	##	##	11,536	335	8,067	1,072	7,442	11,536	278	471	6,862	10,126	0	11,535	0	132	9,358	6,860	586	11,536	
Load received by STWs in size band 4	kgBOD <sub>5</sub> /day	0	0	639	1,104	##	##	0	##	30,051	6,881	11,738	5,552	5,880	30,051	0	0	16,111	11,940	0	30,051	0	4,935	13,460	8,866	2,790	30,051	
Load received by STWs above size band 5	kgBOD <sub>5</sub> /day	0	0	60,855	0	0	##	0	##	154,571	6,730	47,940	5,231	94,611	154,572	0	1,639	57,645	95,287	0	154,571	0	11,884	60,841	6,743	75,097	154,571	
Total load received	kgBOD <sub>5</sub> /day	0	10	63,611	6,711	##	##	##	##	210,398	14,635	69,385	12,842	113,238	210,398	278	2,293	66,560	*****	372	210,037	0	17,143	88,167	25,778	16,364	210,036	
Load received from trade effluent customers at treatment works	kgBOD <sub>5</sub> /day	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Number of sewage treatment works	nr	0	19	26	92	3	2	10	2	154	0	0	0	154	154	0	0	16	27	111	154	0	1	7	20	126	154	
STWs in size band 1	nr	0	0	1	18	2	0	6	5	32	0	0	0	5	27	32	0	0	13	18	1	32	0	0	16	14	2	32
STWs in size band 2	nr	0	0	5	31	2	1	16	36	93	1	20	15	60	93	0	2	51	40	0	93	0	2	47	42	2	93	
STWs in size band 3	nr	0	0	7	13	1	4	3	33	61	3	26	3	29	61	1	3	21	36	0	61	0	1	33	24	3	61	
STWs in size band 4	nr	0	0	1	1	1	10	0	16	31	7	13	5	6	31	0	0	19	12	0	31	0	4	16	9	3	31	
STWs above size band 5	nr	0	0	4	0	0	12	0	11	27	2	12	3	10	27	0	1	14	12	0	27	0	4	14	2	1	27	
Total number of works	nr	0	19	44	155	9	29	35	##	398	13	71	28	286	398	1	6	134	145	112	398	0	12	133	110	143	398	
Population equivalent	000s	3	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	
Current population equivalent served by STWs	000s	3	665	344	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	
Current population equivalent served by STWs with tightened/dnew P consents	000s	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Current population equivalent served by STWs with tightened/dnew N consents	000s	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Current population equivalent served by STWs with tightened/dnew sanitary parameter consents	000s	3	194	795	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	
Current population equivalent served by STWs with tightened/dnew microbiological treatment consents (for example UV, ozone etc)	000s	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Population equivalent treatment capacity enhancement	000s	3	15	021	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	##	
Current population equivalent served by STWs with tightened/dnew consents for chemicals or other hazardous substances	000s	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

## Pro forma 7E

## Wessex Water

### Wastewater network+ - Other data including energy consumption and ended 31 March 2025

Line description	Units	DPs	Input
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#### Other

Total sewerage catchment area	km <sup>2</sup>	0	2,144
Designated bathing waters (inland and coastal)	nr	0	51
Number of intermittent discharge event duration monitoring	nr	0	45
Number of monitors for flow monitoring at STWs	nr	0	18
Number of odour related complaints	nr	0	960

#### Energy consumption

Energy consumption - sewage collection	MWh	3	48,284.570
Energy consumption - sewage treatment	MWh	3	151,968.436
Energy consumption - wastewater network +	MWh	3	200,253.006

#### Scheme delivery

Cumulative shortfall in FFT addressed by WINEP / NEP schemes to increase STW capacity	l/s	3	21.000
Number of sites with an increase in sewage treatment works capacity delivered to address a shortfall in FFT	nr	0	3.000
Additional storm tank capacity provided at sewage treatment works (grey infrastructure)	m3	3	4,547.000
Additional effective storm storage capacity at sewage treatment works (green infrastructure)	m3	3	0.000
Additional volume of network storage at CSOs etc to reduce spill frequency (grey infrastructure)	m3	3	11,149.000
Additional effective storage in the network delivered through green infrastructure	m3	3	0.000
Total number of sewage treatment works sites where additional storage has been delivered (grey infrastructure)	nr	0	9.000

## Section 7: Wastewater network plus

Number of sewage treatment works sites where additional storage has been delivered with pumping (grey infrastructure)	nr	0	9.000
Number of sewage treatment works benefitting from green infrastructure replacing the need for storm tank storage	nr	0	0.000
Number of sites delivering additional network storage (grey infrastructure)	nr	0	10.000
Number of sites delivering additional network storage including pumping (grey infrastructure)	nr	0	9.000
Number of sites delivering additional network storage through green infrastructure	nr	0	0.000
Surface water separation drainage area removed	m2	0	375.000
Number of schemes delivered to meet tightened or new sanitary consents	nr	0	0.000
Number of installations requiring civils for flow monitoring at sewage treatment works	nr	0	12.000
Number of installations requiring civils for event duration monitoring at intermittent discharges	nr	0	22.000
Number of storm overflows where improvements have been made to reduce harm or reduce spill frequencies	nr	0	10

# Section 8: Bioresources

## Narrative on costs

The method is outlined in the response for 4.31 below.

We use actual road distances for lines 8A.10, 8A.11, 8A.13 and 8A.16.

We have used GIS (Geographic Information System) data to calculate actual road km journey distances between sites for inter-siting work, and between sites and stockpiles for disposal work. Prior to 2021-22, we had used “as the crow flies” distance to estimate road distance for disposal work.

We have reported zeros against lines 8A.14 and 8A.15 because we did not dispose sludge by pipeline or tanker.

In 2024-25, we did not have any instances where both the incumbent and a 3rd party service provider undertake different stage of sludge treatment.

All sludge exported to 3rd party service provider was treated and disposed by them. The amount treated by 3rd party is reported in line 8A.2, and the amount disposed by 3rd party is reported in line 8A.7.

The volume of sludge arising from the treatment of liquid waste cannot be directly measured – it can only be calculated from measurement of volume and load discharged into the head of the water recycling centre.

We routinely measure settled chemical oxygen demand (COD) and total suspended solids and have comprehensive data for these parameters. To estimate sludge production requires further data on biochemical oxygen demand (BOD) and settleable solids for which we have limited data only.

To derive secondary sludge production, we use a conversion factor (kg sludge produced from kg BOD) for the relevant process at each water recycling centre where liquid waste is treated. The procedure for this calculation is as follows, which is the same method used in our forecast for previous years:

1. STCs receiving non-appointed liquid waste are identified
2. Liquid waste flow and load data is collected; provided by Wessex Water Enterprises
3. COD, SS and BOD loads estimated for each site using sample data and COD: SS and COD:BOD ratios
4. Equivalent sludge mass calculated for each water recycling centre and treatment process stage, using standard conversion factors for converting the organic load to produced sludge solids.

## Pro forma 8A

## Wessex Water

## Bioresources sludge data for the 12 months ended 31 March

Line description	Units	DPs	Total
Total sewage sludge produced, treated by incumbents	ttds/ year	1	66.5
Total sewage sludge produced, treated by 3 <sup>rd</sup> party sludge service provider	ttds/ year	1	1.7
Total sewage sludge produced	ttds/ year	1	68.2
Total sewage sludge produced from non-appointed liquid waste treatment	ttds/ year	1	4.2
Percentage of sludge produced and treated at a site of STW and STC co-location	%	2	40.29
Total sewage sludge disposed by incumbents	ttds/ year	1	53.4
Total sewage sludge disposed by 3 <sup>rd</sup> party sludge service provider	ttds/ year	1	1.0
Total sewage sludge disposed	ttds/ year	1	54.4
Total measure of intersiting 'work' done by pipeline	ttds*km/year	0	15
Total measure of intersiting 'work' done by tanker	ttds*km/year	0	1,017
Total measure of intersiting 'work' done by truck	ttds*km/year	0	298
Total measure of intersiting 'work' done (all forms of transportation)	ttds*km/year	0	1,330
Total measure of intersiting 'work' done by tanker (by volume transported)	m <sup>3</sup> *km/yr	0	#####
Total measure of 'work' done in sludge disposal operations by pipeline	ttds*km/year	0	0
Total measure of 'work' done in sludge disposal operations by tanker	ttds*km/year	0	0
Total measure of 'work' done in sludge disposal operations by truck	ttds*km/year	0	2,520
Total measure of 'work' done in sludge disposal operations (all forms of transportation)	ttds*km/year	0	2,520
Total measure of 'work' done by tanker in sludge disposal operations (by volume transported)	m <sup>3</sup> *km/yr	0	#####
Chemical P sludge as % of sludge produced at STWs	%	2	51.12

## Pro forma 8B

## Wessex Water

## Bioresources operating expenditure analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Pipeline	Tanker	Truck	Total
<b>Sludge transport method</b>						
Power	£m	3	0.007	0.022	0.001	0.030
Income treated as negative expenditure	£m	3	-0.001	-0.002	0.000	-0.003
Discharge consents	£m	3	0.000	0.000	0.000	0.000
Bulk discharge	£m	3	0.000	0.000	0.000	0.000
<b>Other operating expenditure</b>						
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000
Other operating expenditure excluding renewals	£m	3	2.402	8.026	0.303	10.731
Total functional expenditure	£m	3	2.408	8.046	0.304	10.758
Local authority and Cumulo rates	£m	3	0.000	0.000	0.000	0.000
Total operating expenditure (excluding 3rd party)	£m	3	2.408	8.046	0.304	10.758

Line description	Units	DPs	Untreated Sludge	Raw Sludge liming	Conventional AD	Incineration of raw sludge	Photo-conditioning/composting	Advanced Anaerobic Digestion	Other	Total
<b>Sludge treatment type</b>										
Power	£m	3	0.000	0.344	0.176	0.000	0.000	0.556	0.000	1.076
Income treated as negative expenditure	£m	3	0.000	-1.037	-0.532	0.000	0.000	-1.672	0.000	-3.241
Discharge consents	£m	3	0.000	0.015	0.008	0.000	0.000	0.024	0.000	0.047
Bulk discharge	£m	3	0.000	0.011	0.005	0.000	0.000	0.017	0.000	0.033

## Section 8: Bioresources

<b>Other operating expenditure</b>										
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other operating expenditure excluding renewals	£m	3	0.000	5.872	3.009	0.000	0.000	9.468	0.000	18.349
Total functional expenditure	£m	3	0.000	5.205	2.666	0.000	0.000	8.393	0.000	16.264
Local authority and Cumulo rates	£m	3	0.000	0.787	0.403	0.000	0.000	1.268	0.000	2.458
Total operating expenditure (excluding 3rd party)	£m	3	0.000	5.992	3.069	0.000	0.000	9.661	0.000	18.722

Line description	Units	DPs	Landfill, raw	Landfill, partly treated	Land restoration/ reclamation	Sludge recycled to farmland	Incineration of digested Sludge	Other	Total
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<b>Sludge disposal route</b>									
Power	£m	3	0.000	0.000	0.000	0.032	0.000	0.000	0.032
Income treated as negative expenditure	£m	3	0.000	0.000	0.000	-0.659	0.000	0.000	-0.659
Discharge consents	£m	3	0.000	0.000	0.000	0.004	0.000	0.000	0.004
Bulk discharge	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000

<b>Other operating expenditure</b>										
Renewals expensed in year (Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Renewals expensed in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other operating expenditure excluding renewals	£m	3	0.000	0.000	0.000	7.273	0.000	0.000	7.273	7.273
Total functional expenditure	£m	3	0.000	0.000	0.000	6.650	0.000	0.000	6.650	6.650
Local authority and Cumulo rates	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total operating expenditure (excluding 3rd party)	£m	3	0.000	0.000	0.000	6.650	0.000	0.000	6.650	6.650

Pro forma 8C

Wessex Water

### Bioresources energy and liquors analysis for the 12 months ended 31 March 2025

Line description	Units	DPs	Electricity	Heat	Biomethane	Total	Electricity	Heat	Biomethane	Total
			MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)

<b>Energy</b>										
Energy consumption - bioresources	SE Column Headings	SE Column Headings	8,729	30,836	0	57,205	0.936	0.589	0.000	1.525
Energy generated by and used in bioresources control	SE Column Headings	SE Column Headings	0	0	0	0	0.000	0.000	0.000	0.000
Energy generated by bioresources and used in network plus control	SE Column Headings	SE Column Headings	0	0	0	0	0.000	0.000	0.000	0.000
Energy generated by bioresources and exported to the grid or third	SE Column Headings	SE Column Headings	0	0	135,555	135,555	0.000	0.000	-3.134	-3.134
Energy generated by bioresources that is unused	SE Column Headings	SE Column Headings	0	0	0	0				
Energy bought from grid or third party and used in bioresources	SE Column Headings	SE Column Headings	8,729	30,836	0	39,565	0.936	0.589	0.000	1.525

<b>Income from renewable energy subsidies</b>			
Income claimed from Renewable Energy Certificates (ROCs)	£m	3	0.000
Income claimed from Renewable Heat Incentives (RHIs)	£m	3	0.000
Income claimed from [other renewable energy subsidy (1)]	£m	3	0.000
Income claimed from [other renewable energy subsidy (2)]	£m	3	0.000
Income claimed from [other renewable energy subsidy (3)]	£m	3	0.000
Total income claimed from renewable energy subsidies	£m	3	0.000
% of total number of renewable energy subsidies due to expire in the next 2 financial years	%	0	0%
This year's value of renewable energy subsidies due to expire in the next 2 financial years	£m	3	0.000

Note: Companies to input specific subsidy which is being referenced in lines 8C.8 - 8C.10.

<b>Bioresources liquors treated by network plus (shadow reported)</b>			
BOD load of liquor or partially treated liquor returned from bioresources to network plus	kg/d	0	9,244
Ammonia load of liquor or partially treated liquor returned from bioresources to network plus	kg Amm-N/d	0	3,135
Recharge to Bioresources by network plus for costs of handling and treating bioresources liquors	£m	3	2,543

	Units	DPs	Electricity	Heat	Biomethane	Total	Electricity	Heat	Biomethane	Total
			MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	MWh (0 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)	£m (3 DPs)

<b>Energy (AMP 7 shadow reported values)</b>										
Energy consumption - bioresources	SE Column Headings	SE Column Headings	8,729	30,836	0	57,205	0.936	0.589	0.000	1.525
Energy generated by and used in bioresources control	SE Column Headings	SE Column Headings	0	0	0	0	0.000	0.000	0.000	0.000
Energy generated by bioresources and used in network plus control	SE Column Headings	SE Column Headings	0	0	0	0	0.000	0.000	0.000	0.000
Energy generated by bioresources and exported to the grid or third	SE Column Headings	SE Column Headings	0	0	135,555	135,555	0.000	0.000	-3.134	-3.134
Energy generated by bioresources that is unused	SE Column Headings	SE Column Headings	0	0	0	0				
Energy bought from grid or third party and used in bioresources	SE Column Headings	SE Column Headings	8,729	30,836	0	39,565	0.936	0.589	0.000	1.525

	%
--	---

Percentage of bioresources energy consumption that is metered	100.000%
---	----------



## Pro forma 8D

## Wessex Water

**Bioresources sludge treatment and disposal data for the 12 months**

Line description	Units	DPs	By incumbent	By 3rd party sludge service providers
<b>Sludge treatment process</b>				
% Sludge - untreated	%	1	0.0%	0.0%
% Sludge treatment process - raw sludge liming	%	1	32.0%	0.0%
% Sludge treatment process - conventional AD	%	1	16.4%	0.0%
% Sludge treatment process - advanced AD	%	1	51.6%	76.3%
% Sludge treatment process - incineration of raw sludge	%	1	0.0%	0.0%
% Sludge treatment process - other (specify)	%	1	0.0%	23.7%
% Sludge treatment process - Total	%	1	100.0%	100.0%
<b>(Un-incinerated) sludge disposal and recycling route</b>				
% Sludge disposal route - landfill, raw	%	1	0.0%	0.0%
% Sludge disposal route - landfill, partly treated	%	1	0.0%	0.0%
% Sludge disposal route - land restoration/ reclamation	%	1	0.0%	0.0%
% Sludge disposal route - sludge recycled to farmland	%	1	100.0%	60.2%
% Sludge disposal route - other (specify)	%	1	0.0%	39.8%
% Sludge disposal route - Total	%	1	100.0%	100.0%

# Section 9: Innovation competition

## Innovation competition

In line with Ofwat guidance, we are reporting having collected the allowed revenues from customers. There was no additional revenue from royalties as no projects have been initiated. For other companies that have had projects approved, we have funded the required amounts. We are a named partner for 17 projects that have been awarded funding so far, of which five were announced in May 2024 for Water Breakthrough Challenge 4.

Pro forma 9A  
Wessex Water

Innovation competition														
Line description	Units	DPs	Current year											
Allowed														
Allocated innovation competition fund price control revenue	£m	3	2,125											
Revenue collected for the purposes of the innovation competition														
Allowed innovation fund income from customers	£m	3	2,125											
Collected income from customers to fund innovation projects the company is leading on	£m	3	0.000											
Income from customers as part of the inflation top-up mechanism	£m	3	0.000											
Income are added to fund innovation projects the company is leading on	£m	3	0.000											
Income from customers that is transferred to other companies (via the MCSL agreement) as part of the innovation fund	£m	3	1,728											
Non-price control revenue (e.g. royalties, assets sold that were purchased using innovation fund)	£m	3	0.000											
Administration														
Administration charge for innovation partner	£m	3	0.083											
Line description	Total amount of funding are added to the lead company through the innovation fund	Total amount of inflation top-up funding received	Forecast expenditure on innovation fund projects in year (est 10% partnership contribution)	Actual expenditure on innovation fund projects in year (est 10% partnership contribution)	Difference between actual and forecast expenditure	Forecast project lifecycle expenditure on innovation fund projects (est 10% partnership contribution)	Cumulative actual expenditure on innovation fund projects (est 10% partnership contribution)	Difference between actual and forecast expenditure	Allowed future expenditure on innovation fund projects (est 10% partnership contribution)	Expenditure on innovation projects funded by shareholders of the lead water company	In year expenditure on innovation projects funded by project partner contributions	Cumulative expenditure on innovation projects funded by the lead water company	Cumulative expenditure on innovation projects funded by project partner contributions	Total remaining funds (unspent) for completed projects
Units	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
DPs	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Innovation project 1 (please insert project name)					0.000			0.000						
Innovation project 2					0.000			0.000						
Innovation project 3					0.000			0.000						
Innovation project 4					0.000			0.000						
Innovation project 5					0.000			0.000						
Innovation project 6					0.000			0.000						
Innovation project 7					0.000			0.000						
Innovation project 8					0.000			0.000						
Innovation project 9					0.000			0.000						
Innovation project 10					0.000			0.000						
Innovation project 11					0.000			0.000						
Innovation project 12					0.000			0.000						
Innovation project 13					0.000			0.000						
Innovation project 14					0.000			0.000						
Innovation project 15					0.000			0.000						
Total	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000



## Section 10: Green recovery

We are not required to populate the tables in this section.

# Section 11: Greenhouse gas emissions

Pro forma 11A  
Wessex Water

**Greenhouse gas emissions reporting for the 12 months ended 31 March 2025**

Line description	2024 - 25 Operational Emissions		
	Water	Wastewater	Total
	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e
	3	3	3
<b>Scope one emissions</b>			
Burning of fossil fuels (location-based)	636.753	10,950.115	11,586.868
Process and fugitive emissions	3.627	31,366.793	31,370.420
Vehicle transport	3,871.092	6,704.190	10,575.282
Emissions from land	-	-	-
Total scope one emissions (location-based)	4,511.472	49,021.098	53,532.570
Scope one emissions; GHG type CO <sub>2</sub>	4,451.361	17,513.557	21,964.918
Scope one emissions; GHG type CH <sub>4</sub>	1.071	12,960.640	12,961.711
Scope one emissions; GHG type N <sub>2</sub> O	55.412	18,540.747	18,596.159
Scope one emissions; GHG other types	3.627	6.154	9.781
<b>Scope two emissions</b>			
Purchased electricity (location-based)	15,729.223	32,041.502	47,770.725
Purchased electricity (market-based)	27,995.853	50,375.588	78,371.441
Purchased heat	-	-	-
Electric vehicles	3.691	6.263	9.954
Removal of electricity to charge electric vehicles at site	-	-	-
Total scope two emissions (location-based)	15,732.914	32,047.765	47,780.679
Total scope two emissions (market-based)	27,999.544	50,381.851	78,381.395

## Section 11: Greenhouse gas emissions

Scope two emissions; GHG type CO <sub>2</sub>	15,571.824	31,719.628	47,291.452
Scope two emissions; GHG type CH <sub>4</sub>	68.387	139.304	207.691
Scope two emissions; GHG type N <sub>2</sub> O	92.702	188.833	281.535
Scope two emissions: GHG other types	-	-	-
<b>Scope three emissions</b>			
Business travel	327.033	554.964	881.997
Outsourced activities	105.079	1,576.702	1,681.781
Purchased electricity; extraction, production, transmission and distribution (location-based)	5,214.796	10,610.639	15,825.435
Purchased heat; extraction, production, transmission and distribution	-	-	-
Purchased fuels; extraction, production, transmission and distribution	1,069.657	3,518.129	4,587.786
Chemicals	3,695.560	10,088.058	13,783.618
Disposal of waste	-	9,622.542	9,622.542
Total scope three emissions (location-based)	10,412.125	35,971.034	46,383.159
Scope three emissions; GHG type CO <sub>2</sub>	1,804.309	4,554.047	6,358.356
Scope three emissions; GHG type CH <sub>4</sub>	6.390	3,654.345	3,660.735
Scope three emissions; GHG type N <sub>2</sub> O	11.630	6,387.784	6,399.414
Scope three emissions: GHG other types	-	-	-
<b>Gross operational emissions (Scopes 1,2 and 3)</b>			
Gross operational emissions (location-based)	30,656.511	117,039.897	147,696.408
Gross operational emissions (market-based)	27,999.544	50,381.851	78,381.395
<b>Emissions reductions</b>			
Exported renewables	-	-	-
Exported biomethane	-	-	-
Insets	-	-	-
Other emissions reductions	-	-	-
Total emissions reductions	-	-	-
<b>Emissions reductions</b>			
Green tariff electricity	902.681	5,815.975	6,718.656
<b>Net annual emissions</b>			
Net annual emissions (location-based)	30,656.511	117,039.897	147,696.408
<b>GHG intensity ratios</b>			
Emissions per MI of treated water	248.345		
Emissions per MI of sewage treated		317.823	
<b>Embedded emissions</b>			
Line description	Water	Wastewater	Total
Unit	kgCO <sub>2</sub> e/MI	kgCO <sub>2</sub> e/MI	tCO <sub>2</sub> e
DPs	3	3	3
<b>Capital projects</b>			
Capital projects (cradle-to-gate)	15,374.514	37,811.513	53,186.027
Capital projects (cradle-to-build)	22,204.252	41,989.420	64,193.672
<b>Purchased goods and services</b>			
Purchased goods and services	2,536.140	13,533.370	16,069.510

# Assurance

## Board statement on accuracy and completeness of data and information

The Board confirms it is satisfied that the data and information which the Company has provided to Ofwat in the reporting year and/or which the Company has published in its role as a water and sewerage undertaker was accurate and complete.



Francis Yeoh  
**Chairman**



Ruth Jefferson  
**Chief Executive**



Jim McKenna  
**Deputy Chair**



Kate Mingay  
**Chair of Audit and Risk Committee**

08 July 2025

## Our assurance framework

Being honest and ethical in the way we conduct our business is one of our core values. The Board has a well-established assurance framework, underpinned by our core values and ethics.

The Board carries out a wide range of activities to be able to make this statement, detailed in the Company's Regulatory Assurance Manual.

Our overall approach to information assurance is governed by our business risk assurance map, which is published on our website. This is based on three levels of defence.

**First level of defence:** Director and management oversight of 'business as usual' risk mitigation measures covered by policies and procedures

**Second level of defence:** functions that oversee or specialise in risk management and/or compliance, eg, Risk Management Group, Security Management Group

**Third level of defence:** functions that provide independent assurance eg, internal and external audit.

The following groups and processes are in place as part of our approach to information assurance.

### Audit and Risk Committee

The Audit and Risk Committee assists the Board in monitoring the Company's obligations in relation to financial reporting, internal control and audit, and compliance and risk management systems. Part of the

## Assurance

Committee's role is to review the Company's financial statements and Annual Review documents, including the Annual Performance Report.

### External audit

Our external technical auditors (currently Mott MacDonald) provide assurance on our regulatory submissions including the annual performance report, delivery plan, charges schemes and price review submissions.

Our financial auditors (currently EY) audit elements of the annual performance report (including the financial statements) as well as the non-statutory accounts and price review submissions.

Please see assurance statements for the 2024-25 annual performance report below

### Internal audit

Internal audit delivers a flexible, risk-based programme of internal audits, which are reported to the Audit and Risk Committee.

### Certification

The annual company certification process (iComply) requires employees to confirm awareness of, and compliance with, the Company's rules, policies and procedures relevant to their role, including on data reporting. The results are reported to the Audit and Risk Committee.

We use an additional certification process to support the Audit and Risk Committee and Board approval process for regulatory submissions to Ofwat, including the Annual Performance Report.

### Method statements

The process for generating the data and information in the Annual Performance Report is detailed in method statements for each table. These are reviewed as part of the external assurance process.

### Risk assessment

We vary the assurance activities we undertake for different submissions and publications depending on the risk of misreporting. For each piece of information, the impact and the likelihood of any error is considered. Our Information Risk Register details the level of assurance applied to routine submissions and publications. In addition, we provide data and information to our stakeholders on an ad hoc basis. We assess any assurance requirements for these on a case-by-case basis.

The risk assessment is used to develop an audit needs analysis on an annual basis. This considers the residual risk and assurance cover to date. The audit needs analysis is used to develop an annual information assurance programme, which is presented to the Audit and Risk Committee for approval.

These processes satisfy the Board that the Company has identified and addressed risks to the provision of accurate and complete data and information appropriately in particular areas.

Matt Greenfield  
Director of Strategy and Regulation  
Wessex Water Services Ltd  
Claverton Down  
Bath  
BA2 7WW

**Our Reference**  
100416626-002/APR25

Mott MacDonald  
7th Floor  
26 Whitehall Road  
Leeds LS12 1BE  
United Kingdom

T +44 (0)113 394 6700  
mottmac.com

## **Wessex Water APR25**

### **Technical assurance report**

10 July 2025

Dear Matt,

#### **Introduction and background**

Water companies are required to publish annual performance reporting, which includes technical performance results. Company boards are responsible for the accuracy and completeness of the data and commentary published and reported to Ofwat, as specified in their role as a statutory water undertaker.

Our assurance provides independent, third party review and challenge of the data and commentary published as part of the 2024-25 annual performance report (APR25) submission. This is based on our agreed scope, which includes limited sampling of processes, data, and controls. This document should be considered alongside other relevant and contextual information related to Wessex Water.

As required by Ofwat's information notice '[IN 25/02 Expectations for monopoly company annual performance reporting 2024-25](#)', we confirm that we have reviewed 44 of the 46 performance commitments for APR25.

Our work was carried out under our 'Serv.085' contract with you.

#### **Scope of our technical assurance**

Our assurance covered many APR25 technical data tables, and limited lines of financial tables, as agreed via our offer of 10 April 2025 and subsequent requests by email.

Our scope included Ofwat performance commitments, operational and capital project data, performance data reported to the Environment Agency for its environment performance assessment, to Water UK for its Discover Water website, and to the Consumer Council for Water on customer complaints and compensation payments (guaranteed standards scheme).

We also covered performance data for your annual review summary report, for Government carbon reporting, and for items that you track in-house, to maintain a monitoring history and to test reporting for the AMP8 period.

Additionally, on PR19 Blind Year Reconciliation, we reviewed your compilation of the Ofwat 'Blind-Year-2025-Data-Tables-May-2025 v1' data tables, to confirm

alignment with Ofwat guidance<sup>1</sup>. We were shown how the guidance had been applied in the construction of each table and sampled a selection of lines back to the source data to confirm that data had been processed and calculated correctly. The data sources included audited APR25 and PR24 business plan tables, as well as the PR19 final determination, and were not re-audited for the blind year reconciliation. A full list of the assurance scope is appended.

Our offer included a set of assurance tests, consistent with those used last year, which are appended to this letter. After each assurance review, our findings were provided to the data compiler including post-audit actions arising from the tests. Actions were noted as closed when addressed/completed, or when a reasonable explanation for their non-completion, within the timescales of our audit and assurance, was provided. A list of our assurance tests is appended.

## Key findings

*Bioresources data:* we observed that there is continuing uncertainty in the data for some sludge digester influent, resulting in back-calculation of the sludge dry matter digested. Whilst you explain this in your commentary for the sludge data tables, we believe that improvements in data quality will improve the accuracy of total sludge estimates.

*CCW data on customer complaints:* we recommended improving the process of reporting customer complaints, to improve the consistency of the process between the two teams that regularly address customer complaints.

*Performance commitment reports:* some PR19 performance reports required additional reports on the benefits of the PC, or independent assurance reports, to be published. You confirmed that you will meet that requirement.

We also made recommendations for continuous improvement, including to further automate reporting for AMP8; to review audit tests in the light of actions raised (to ensure that tests are all valuable), and to review the internal sign-off procedures (to check whether it could be more efficient whilst remaining effective).

A summary of our findings is appended.

## Assurance statement

I refer to my review of technical aspects of Wessex Water's annual performance report, which have been audited under my direction. We were given free access to people and information as necessary to complete our work.

In my professional opinion, based on and to the extent disclosed by sampling under the agreed tests:

1. The performance commitment data in tables 3A-I have been completed appropriately.
2. The technical data in tables 4D-G, J-O, Q, R, Z; 5A; 6A-D, F; 7B-F; 8A, C, D; 9A; 11A, has been compiled appropriately.
3. We were satisfied that the compliance checklists for reporting of the following reflect Wessex Water's current level of compliance with Ofwat's reporting requirements.
  - PR19WSX\_R.1, Water supply interruptions
  - PR19WSX\_W.4, Leakage
  - PR19WSX\_W2, Per capita consumption
  - PR19WSX\_R4, Mains repairs per 1,000km
  - PR19WSX\_R5, Unplanned outage
  - PR19WSX\_F1, Sewer flooding
  - PR19WSX\_R6, Sewer collapses per 1,000km
4. We were satisfied that the tables for the blind year reconciliation; PD1, 4-6, 8-12; had been compiled in line with the guidance published by Ofwat in information notice IN25/01.
5. Errors and omissions were corrected post-audit.

**Dr Andrew Heather**

Mott MacDonald Ltd

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<sup>1</sup> [Expectations-for-the-PR19-blind-year-reconciliation.pdf](#)

**Use of this report**

This document is issued for the party which commissioned it and for specific purposes connected with the above-captioned project only. It should not be relied upon by any other party or used for any other purpose.

We accept no responsibility for the consequences of this document being relied upon by any other party, or being used for any other purpose, or containing any error or omission which is due to an error or omission in data supplied to us by other parties.

This document contains confidential information and proprietary intellectual property. It should not be shown to other parties without consent from us and from the party which commissioned it.

**Document history (this document)**

<b>Date</b>	<b>Author</b>	<b>Checker</b>	<b>Approver</b>	<b>Issue</b>
08 July 2025	AIJ Heather R Pittock-Cowan	M Rhodes	H Marshall	Assurance report – Draft v1
09 July 2025	M Rhodes	AIJ Heather	H Marshall	Assurance report – Draft v2
10 July 2025	M Rhodes	AIJ Heather	K Akande	Assurance report – Final v3



# Appendix

## Scope of assurance

The items listed below were included in the scope of our APR25 assurance.

Reference	Description
3A.1-19	Outcome performance – financial performance commitments, water.
3B.1-15	Outcome performance – financial performance commitments, wastewater.
3C.1-8	C-MeX.
3D.1-5	D-MeX.
3E.1-12	Outcome performance, non-financial performance commitments.
3F	Underlying calculations for common performance commitments – water and retail.
3G	Underlying calculations for common performance commitments – wastewater
3H	Summary information on outcome delivery incentive payments
3I	Supplementary outcomes information.
4D.8-13	Capital expenditure
4E.8-13	Capital expenditure
4F	Major project expenditure for wholesale water by purpose
4G	Major project expenditure for wholesale wastewater by purpose
4J.15-17	Capital expenditure
4K.15,16	Capital expenditure
4L	Enhancement expenditure, water
4M	Enhancement expenditure, wastewater
4N	Capital expenditure
4O.1-6	Capital expenditure
4Q	Developer services information.
4R	Connected properties, customers, and population.
4Z C3-14	Household bill reduction schemes, debt and Guaranteed Standards Scheme (GSS) payments
5A	Water resources asset and volumes data.
6A	Raw water transport, storage, and treatment data.
6B.	Treated water distribution, assets, and operations data.
6C	Water networks+ - mains, communication pipes, and other data.
6D	Demand management – metering and leakage activities.
6F	WRMP annual reporting on delivery - non-leakage activities
7B	Wastewater network+ Large sewage treatment works data
7C	Wastewater network+ Sewer and volume data
7D	Wastewater network+ Sewage treatment works data
7E	Wastewater network+ Energy consumption and other data
7F	Wastewater network+ - WINEP phosphorus removal scheme costs and cost drivers
8A	Bioresources sludge data
8C	Bioresources energy and liquors data
8D	Bioresources sludge treatment and disposal data
9A	Innovation competition
ODI and IPA	Outcome delivery incentives model and in-period adjustment model.
BIO	Bioresources market information
BIO	Bioresources market monitoring information
Environment Agency	Environmental performance assessment data: abstraction and impoundment licence compliance, self-reporting of pollution incidents, serious pollution incidents, supply demand balance index, total pollution incidents.
CC Water	Water direct, billing contacts and complaints, operational contacts, and complaints, CCW report, pelican (household retail) GSS payments.
Water UK	Developer services information, for Discover Water website.
Carbon	Streamlined energy and carbon reporting, task force on climate-related financial disclosures report.

Reference	Description
AR	Wessex Water annual review summary: total tonnes N and P removed from rivers and coastal waters, number of biodiversity units, gender pay gap.
JAR	Historic June Annual Return tables no longer published but still monitored by Wessex Water.
Low pressure	An additional data request from Ofwat on the average time for which customers experience low pressure (based on the corresponding <a href="#">data request guidance</a> , 13 March 2025)

When auditing your AMP7 performance commitments, we also considered your reported compliance with the 'compliance checklists' that apply to seven common performance commitments:

PC reference	PC name
PR19WSX_R.1	Water supply interruptions
PR19WSX_W.4	Leakage
PR19WSX_W2	Per capita consumption
PR19WSX_R4	Mains repairs per 1,000km
PR19WSX_R5	Unplanned outage
PR19WSX_F1	Sewer flooding
PR19WSX_R6	Sewer collapses per 1,000km

In each case we asked the person compiling the data to explain their completion of the compliance checklist, comparing the results with our findings at audit.

## PR19 Blind Year Reconciliation

The following tables were included in our scope of assurance:

Table reference	Table title
PD1	Inflation
PD4	Analysis of land sales
PD5	Revenue reconciliation - wholesale
PD6	Water bulk supply information
PD8	Totex analysis – wholesale
PD9	Totex performance
PD10	Capital allowance super deductions for PR19 tax reconciliation
PD11	RCV midnight adjustments
PD12	PR19 reconciliation adjustments summary

## Assurance tests

The following tests were applied to the extent that they were relevant to each table reviewed.

### Assurance tests

<b>Pre-audit checks:</b>
1. Has the document for audit been uploaded in the SharePoint? If yes provide a link to document otherwise raise an action to ask when the documents will be uploaded.
2. Are there any changes to the line descriptions, definitions, and any additional guidance from last year's submission? If not, then no more action is required.
<b>Audit tests:</b>
3. If actions were raised last year, have they been completed?
4. Has the data table been signed off by the owner and compiler?
5. Have any changes from previous submissions been adequately explained?
6. Does the method statement (MS) adequately support the provision of accurate and complete data and information and has it been used to populate the reported figures?
7. Is data collection and storage robust, including the upstream processes which generate the data?

8. Are the procedures in place adequate to provide accurate and complete data and information. For example, is there a checks and controls process? Any internal sign-off tracker?
9. Has reported performance been calculated in accordance with current definitions/requirements including FD19, corrigenda, and RAGs?
10. Can performance be explained in the context of historical and forecast data?
11. Does the commentary disclose material assumptions and explain performance?
12. Are there any material risks or issues that may impact the accuracy and completeness of reporting, now or in the future?
13. Is the data supported by audit trails, confirmed by sampling (at least three samples)
14. (PCs only) Has a confidence grade been defined in line with the Ofwat guidance? If yes, what is it / has it been changed from last year?
15. (Shadow PCs only) Does the draft method statement (MS) adequately support the provision of accurate and complete data and information and has it been used to populate the reported figures?
16. (Shadow PCs only) Has reported performance been calculated in accordance with current definitions/requirements?

## Findings

We note below a summary of our key findings from the 2024-25 technical assurance at Wessex Water.

### Key to colour symbols

■	No material issues affecting the reported value were identified. Corrections and recommendations may have been made.
■	There are limitations in reporting this item, such as not being able to fully comply with the reporting requirements, or weak reporting processes.
■	There are material uncertainties or errors in reported values within this table, including where the result depends on data which our audits found are unlikely to be correct.

PCL = performance commitment level

APR Tables 3A, 3B, 3C, 3D: Financial performance commitments	2024-25 PCL	Observed value	PCL met?	Key findings
■ Q1: Water quality compliance (Compliance Risk Index)	0.0	1.31*	No	No material issues. Updated on 24 June from 1.30 after DWI confirmed "final provisional value" of 1.3089.
■ R1: Water supply interruptions, minutes per customer.	5'00"	10'00"	No	No material issues.
■ W1: Leakage (3-yr average reduction), % reduction.	12.8	4.5	No	No material issues. We note that your water balance is 'red' overall this year.
■ W2: Per capita consumption, % reduction.	0.9	3.4	Yes	No material issues.
■ R4: Mains repairs, per 1,000km.	152.4	121.7	Yes	Corrections were made post-audit, to maintain consistent reporting methodology for the whole of AMP7, per the PC definition.
■ R5: Unplanned outage, % peak week production capacity.	2.34	2.00	Yes	We observed that one power outage had been excluded, that would have an impact of +0.002% PWPC and therefore does not change the outcome this year. Although your approach appears to have been consistent for AMP7, we recommend that you include all power outages in future reports.
■ F1: Internal sewer flooding, number per 10,000 connections.	1.34	1.56	No	No material issues.
■ E2: Pollution incidents, number per 10,000km sewer.	19.50	62.10	No	Small difference between EA tracker (215 incidents) and Wessex tracker (217 incidents). You have reported per your tracker.
■ R6: Risk of sewer collapses, number of collapses per 10,000km sewer.	6.33	5.00	Yes	No material issues.
■ E1: Treatment works compliance, % wastewater treatment sites.	100	99.68	No	No material issues.

APR Tables 3A, 3B, 3C, 3D: Financial performance commitments		2024-25 PCL	Observed value	PCL met?	Key findings
■	C-MeX: Customer measure of experience.	-	79.71	N/A	No material issues.
■	D-MeX: Developer services measure of experience.	-	90	N/A	No material issues.
■	A1: Average bill reduction to customers on social tariffs, per 10,000 customers.	87,029	102,805	Yes	No material issues.
■	A3: Void sites, % households.	2.00	1.65	Yes	No material issues.
■	A4: Gap sites, number.	112	222	Yes	No material issues.
■	C3: Number of children/students engaged, number.	24,370	12,065	No	Corrections were made post audit, to restate performance for 2023-24 and 2024-25 taking account of Ofwat requirement to exclude repeat engagement of individuals. This was based on estimates as names of individual students are not collected.
■	W3: Customer reported leaks fixed within a day, % significant leaks on company pipes and fittings.	90	90	Yes	No material issues.
■	Q2: Water quality customer contacts, per 1,000 population.	0.93	1.07	No	No material issues.
■	Q3: Tackling water quality at home and in the workplace, sum of scores for a pre-determined range of activities.	18,297	20,778	Yes	Corrections were made post audit.
■	Q4: Lead communication service pipes replaced (Wessex Water assets), number.	2,210	2,152	No	No material issues.
■	F2: Customer property sewer flooding (external), per 10,000 sewer connections.	15.68	17.11	No	No material issues.
■	F3: Sewer flooding risk, score.	50,651	64,962	No	No material issues.
	F4: North Bristol sewer scheme – Trym catchment, months delay.	0	0	Yes	Out of scope this year – This PC, on scheme delivery, was met in 2022-23.
■	R7: Restrictions on water use (hosepipe bans), number.	0	0	Yes	No material issues.
■	E3: Abstraction incentive mechanism (Mere), ML.	-100	-136	Yes	No material issues.
■	E4: Natural capital: improve Sites of Special Scientific Interest (SSSI sites), % site list completed.	100	100	Yes	Reminder of PC definition requirement to publish assurance report.
■	E5: greenhouse gas emissions, ktCO <sub>2</sub> e.	101	96	Yes	Corrections were made post audit, to report on a consistent basis with AMP7 years 1-4. Reminder of PC definition requirement to publish assurance report.
■	E6: Working with communities to improve bathing water Experience, number of beaches.	47	54	Yes	We recognise you have included an executive summary of the benefits report in your APR commentary, and you plan to publish your report.
■	E7: Working with catchment partners to improve natural capital, number of projects delivered.	37	42	Yes	Commentary produced post audit. We recognise you have included an executive summary of the benefits report in your APR commentary, and you plan to publish your report.
■	E8: Satisfactory sludge disposal, %	100.00	100.00	Yes	No material issues.
■	E9: Reduce frequent spilling overflows (non-WINEP), number of overflows improved in addition to the WINEP.	0	0	Yes	No material issues.
■	E10: Length of river with improved water quality through WINEP delivery, km.	399.9	397.0	No	No material issues.
■	E11: Km of river improved (non-WINEP), km improved in addition to the WINEP.	0	28.8	Yes	No material issues.
■	E12: Abstraction Incentive Mechanism (Stubhampton), ML.	-45	-111	Yes	No material issues.

APR Tables 3A, 3B, 3C, 3D: Financial performance commitments		2024-25 PCL	Observed value	PCL met?	Key findings
■	E13: WINEP requirements (Bristol (Avonmouth) STW), months delay.	0	0	Yes	Since FD19, the Avonmouth improvement project has been expanded and the WINEP tracker date updated to complete in AMP8. We accepted the revised deadline as meaning 'no delay' in 2024-25.
■	SEC: Security non-SEMD outputs, number of deliverables completed.	0	0	Yes	Ofwat granted an extension and an AMP8 price control deliverable, because OpenReach did not complete the necessary network upgrades on time. We accepted the revised deadline as meaning 'no delay' in 2024-25. No material issues.

\*Updated post audit, no material issues requiring further investigation.

APR table 3E Non-financial performance commitments		2024-25 PCL*	Observed value	PCL met?	Key findings
■	R2: Risk of severe restrictions in a drought, %.	0.0	0.0	Yes	No material issues.
■	C1: Priority services for customers in vulnerable circumstances – reach, % customers.	7.0	12.1	Yes	No material issues.
■	C1: Priority services for customers in vulnerable circumstances – actual contact, % customers .	35.0	64.5	Yes	No material issues.
■	C1: Priority services for customers in vulnerable circumstances – attempted contact, % customers.	90.0	97.3	Yes	No material issues.
■	R3: Risk of sewer flooding in a storm, % population at risk.	8.37	7.98	Yes	No material issues.
■	A2: Successful applications for assistance received by the independent advice sector/third parties	2,300	2,935	Yes	Corrections were made because you identified an error with externally supplied data. Re-audit confirmed no further issues.
■	X3: Value for money, % 'fairly' or 'very' satisfied survey results.	84	72	No	No material issues.
■	C2: Delivering for customers in vulnerable circumstances, certification to BS 18477.	Maintained	Maintained	Yes	No material issues.
■	W4: Volume of water saved by efficiency engagement, ML/d.	5.0	6.1	Yes	No material issues.
■	Q5: Event risk index (Wessex Water) (ERI WW)	12.800	69.339	No	Updated on 24 June from "TBC" after DWI confirmed "final provisional value" of 69.339. The confirmed 2023 (APR24) score was also provided by DWI as 23.678, which is no change since our APR24 audit.
■	NEP01: Delivery of water industry national environment programme requirements, met/not met.	Met	Met	Yes	Post audit correction made to final number although no change the "met" submission.
	DWMP: Drainage and wastewater management plans (DWMPs), % complete.	100	100	Yes	Out of scope this year – This PC was met through DWMP submission in 2022.

Other APR data tables	Key findings (and recommendations for APR26)
■ 3C.1-8: C-MeX [component calculations].	Corrections were made post audit, although not resulting in a change to the final value.
■ 3D.1-5, W1, W1-13: D-MeX [component calculations].	Corrections were made post audit, although not resulting in a change to the final value.

Other APR data tables	Key findings (and recommendations for APR26)
■ 3F.1-9: Underlying calculations for common performance commitments – water and retail.	No material issues.
■ 3G.1-5: Underlying calculations for common performance commitments - wastewater	No material issues.
■ 3H.1-21: Summary information on outcome delivery incentive payments.	No material issues.
■ 3I.1-4: Supplementary outcomes information.	No material issues.
■ 4D: Capital expenditure	Corrections were made post audit.
■ 4E: Capital expenditure	Corrections were made post audit.
■ 4F: Major project expenditure for wholesale water by purpose	No material issues.
■ 4G: Major project expenditure for wholesale wastewater by purpose	No material issues.
■ 4J.15-17: Capital expenditure	No material issues.
■ 4K.15,16: Capital expenditure	No material issues.
■ 4L: Enhancement expenditure, water	Corrections were made post audit.
■ 4M: Enhancement expenditure, wastewater	Corrections were made post audit.
■ 4N: Capital expenditure.	No material issues.
■ 4O: Capital expenditure.	No material issues.
■ 4Q.1-14: Developer services information.	Corrections were made post audit.
■ 4R.1,4,5,8,9,10-15,17-26,28,30-32: Connected properties, customers, and population.	No material issues.
■ 5A.1-30: Water resources asset and volumes data.	No material issues.
■ 6A.1-39: Raw water transport, storage, and treatment data.	No material issues.
■ 6B.1-67: Treated water distribution, assets, and operations data.	No material issues.
■ 6C.1-25: Water networks+ - mains, communication pipes, and other data.	No material issues.
■ 6D.1-25: Demand management – metering and leakage activities.	No material issues.
■ 6F: WRMP annual reporting on delivery - non-leakage activities.	Corrections were made post audit.
■ 7B: Wastewater network+ Large sewage treatment works data.	Corrections were made post audit.
■ 7C: Wastewater network+ Sewer and volume data	Corrections were made post audit.
■ 7D: Wastewater network+ Sewage treatment works data.	No material issues.
■ 7E: Wastewater network+ Energy consumption and other data.	No material issues.
■ 7F: Wastewater network+ - WINEP phosphorus removal scheme costs and cost drivers.	No material issues.
■ 8A: Bioresources sludge data.	No material issues.
■ 8C: Bioresources energy and liquors data.	No material issues.
■ 8D: Bioresources sludge treatment and disposal data	No material issues.
■ 9A: Innovation competition.	No material issues.
■ ODI and IPA: Outcome delivery incentives model and in-period adjustment model.	No material issues.
■ Bioresources market information.	Corrections were made post audit.
■ Bioresources market monitoring information.	Corrections were made post audit.
■ Environment agency: Environmental performance assessment data: abstraction and impoundment licence compliance, self-reporting of pollution incidents, serious pollution incidents, supply demand balance index, total pollution incidents.	No material issues.
■ CC Water: Water direct, billing contacts and complaints, operational contacts, and complaints, CCW report, pelican (household retail) GSS payments.	Billing – commentary produced post audit. Operational – we expect future improvements to increase alignment with the guidance. Water Direct - No material issues. CCW Report - No material issues.
■ Water UK: Developer services information, for Discover Water website.	No material issues.
■ Carbon: Table 11A: Streamlined energy and carbon reporting, task force on climate-related financial disclosures report.	Corrections were made post audit.

Other APR data tables	Key findings (and recommendations for APR26)
	Given that carbon will be reported in several ways each year for AMP8, we recommend investigating opportunities to increase automation of the data flow supporting the calculation.
<ul style="list-style-type: none"> <li>AR: Wessex Water annual review summary: total tonnes N and P removed from rivers and coastal waters, number of biodiversity units, gender pay gap.</li> </ul>	No material issues.
<ul style="list-style-type: none"> <li>Historic June Annual Return. tables, no longer published but still monitored by Wessex Water: JAR 6 (GSS), 8 (non-fin measures, water metering), 10 (WRMP), 41 (H&amp;S):.</li> </ul>	<p>JAR 6: corrections were made post audit.</p> <p>JAR 8: no material issues. Observation on underlying error rate in data collection, mostly corrected through in-process reviews.</p> <p>JAR 10: no material issues.</p> <p>JAR 41: no material issues.</p>
<ul style="list-style-type: none"> <li>An additional data request from Ofwat on the average time for which customers experience low pressure (based on the corresponding data request guidance, 13 March 2025).</li> </ul>	You explained that your pressure monitors are not set up in the same way as Affinity Water's and therefore that you cannot report in line with the reporting requirement, and that you have decided not to report your DG2 register results for this data request, because they are not recorded in line with the Affinity Water interpretation of the guidance. You have therefore decided to make a 'nil return' to this data request, with a brief commentary that explains why you cannot report each data line requested.

## Compliance checklists

We considered our previous assessments of compliance checklists, and whether changes to the reporting had led to changes in the level of compliance. Our colour coding reflects our level of agreement with the reported level of compliance, and not necessarily the red/amber/green rating of the level of compliance overall, which the Company is reporting.

PC reference	PC name	Key findings
<ul style="list-style-type: none"> <li>PR19WSX_R.1</li> </ul>	Water supply interruptions	No material issues.
<ul style="list-style-type: none"> <li>PR19WSX_W.4</li> </ul>	Leakage	No material issues.
<ul style="list-style-type: none"> <li>PR19WSX_W2</li> </ul>	Per capita consumption	No material issues.
<ul style="list-style-type: none"> <li>PR19WSX_R4</li> </ul>	Mains repairs per 1,000km	No material issues.
<ul style="list-style-type: none"> <li>PR19WSX_R5</li> </ul>	Unplanned outage	No material issues but note that exclusions should not be made except for those detailed in the PC definition.
<ul style="list-style-type: none"> <li>PR19WSX_F1</li> </ul>	Sewer flooding	No material issues.
<ul style="list-style-type: none"> <li>PR19WSX_R6</li> </ul>	Sewer collapses per 1,000km	No material issues.

## PR19 blind year reconciliation

We observed the blind year reconciliation tables at draft and final stages, the table below refers to the final stage, by which most uncertainty had been addressed via Ofwat queries and the May 2025 edition of the blind year reconciliation tables.

Table reference	Table title	Key findings
<ul style="list-style-type: none"> <li>PD1</li> </ul>	Inflation	No material issues.
<ul style="list-style-type: none"> <li>PD4</li> </ul>	Analysis of land sales	No material issues.
<ul style="list-style-type: none"> <li>PD5</li> </ul>	Revenue reconciliation - wholesale	No material issues.
<ul style="list-style-type: none"> <li>PD6</li> </ul>	Water bulk supply information	No material issues.
<ul style="list-style-type: none"> <li>PD8</li> </ul>	Totex analysis – wholesale	No material issues.
<ul style="list-style-type: none"> <li>PD9</li> </ul>	Totex performance	No material issues.
<ul style="list-style-type: none"> <li>PD10</li> </ul>	Capital allowance super deductions for PR19 tax reconciliation	No material issues. This is a null return.
<ul style="list-style-type: none"> <li>PD11</li> </ul>	RCV midnight adjustments	No material issues.
<ul style="list-style-type: none"> <li>PD12</li> </ul>	PR19 reconciliation adjustments summary	No material issues.

# Independent Auditor's report to the Water Services Regulation Authority (the WSRA) and the Directors of Wessex Water Services Limited

## Independent Auditor's report to the Water Services Regulation Authority (the WSRA) and the Directors of Wessex Water Services Limited

### Opinion

We have audited the tables within sections 1 and 2 of Wessex Water Services Limited's (the 'Company') Annual Performance Report for the year ended 31 March 2025 ("the Regulatory Accounting Statements") which comprise:

- the regulatory financial reporting tables comprising the income statement (table 1A), the statement of comprehensive income (table 1B), the statement of financial position (table 1C), the statement of cash flows (table 1D), the net debt analysis (table 1E), the financial flows (table 1F) and the related notes; and
- the regulatory price review and other segmental reporting tables comprising the segmental income statement (table 2A), the totex analysis for wholesale water and wastewater (table 2B), the operating cost analysis for retail (table 2C), the historical cost analysis of fixed assets for wholesale and retail (table 2D), the analysis of grants and contributions and land sales for wholesale (table 2E), the household water revenues by customer type (table 2F), the non-household water revenues by customer type (table 2G), the non-household wastewater revenues by customer type (table 2H), the revenue analysis & wholesale control reconciliation (table 2I), the infrastructure network reinforcement costs (table 2J), the infrastructure charges reconciliation (table 2K), the analysis of land sales (table 2L), the revenue reconciliation for wholesale (table 2M), residential retail social tariffs (table 2N) and historical cost analysis of intangible assets (table 2O) and the related notes.

We have not audited the Outcome performance tables (3A to 3I) and the additional regulatory information in tables 4A to 4Z, 5A to 5B, 6A to 6F, 7A to 7F, 8A to 8D, 9A, 10A to 10H and 11A.

In our opinion, the Company's Regulatory Accounting Statements have been properly prepared, in all material respects, in accordance with Condition F, the Regulatory Accounting guidelines issued by the WSRA (RAG 1.09, RAG 2.09, RAG 3.15, RAG 4.13 and RAG 5.07 and the accounting policies (including the Company's published accounting methodology statements, as defined in RAG 3.15, appendix 2), set out on page 13.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800, and having regard to the guidance contained in ICAEW Technical Release Tech 02/16 AAF (Revised) 'Reporting to Regulators on Regulatory Accounts' issued by the Institute of Chartered Accountants in England & Wales.

Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Regulatory Accounting Statements within the Annual Performance Report section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit, including the Financial Reporting Council's (FRC's) Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Emphasis of matter – special purpose basis of preparation**

We draw attention to the fact that the Regulatory Accounting Statements have been prepared in accordance with a special purpose framework, Condition F, the Regulatory Accounting Guidelines, the accounting policies (including the Company's published accounting methodology statements, as defined in RAG 3.15, appendix 2) set out in the statement of accounting policies and under the historical cost convention. The nature, form and content of the Regulatory Accounting Statements are determined by the WSRA. As a result, the Regulatory Accounting Statements may not be suitable for another purpose. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable or appropriate for the WSRA's purposes. Accordingly, we make no such assessment. In addition, we are not required to assess whether the methods of cost allocation set out in the accounting methodology statement are appropriate to the circumstances of the Company or whether they meet the requirements of the WSRA.

The Regulatory Accounting Statements are separate from the non-statutory financial statements of the Company and have not been prepared under the basis of United Kingdom adopted international accounting standards ("UK IASs"). Financial information other than that prepared on the basis of UK IASs does not necessarily represent a true and fair view of the financial performance or financial position of a Company as shown in non-statutory financial statements prepared in accordance with UK IASs.

The Regulatory Accounting Statements on pages 13 to 19 have been drawn up in accordance with Regulatory Accounting Guidelines with a number of departures from UK IASs. A summary of the effect of these departures in the Company's non-statutory financial statements is included in the tables within section 1.

Our opinion is not modified in respect of this matter.

**Conclusions relating to going concern**

In auditing the Regulatory Accounting Statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Regulatory Accounting Statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period - to 31 December 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises all of the information in the Annual Performance Report other than the Regulatory Accounting Statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the Regulatory Accounting Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Regulatory Accounting Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Regulatory Accounting Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the Regulatory Accounting Statements or a material misstatement of the other

information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report based on these responsibilities.

### **Responsibilities of the Directors for the Annual Performance Report**

As explained more fully in the Statement of Directors' Responsibilities set out on page 13, the directors are responsible for the preparation of the Annual Performance Report in accordance with Condition F, the Regulatory Accounting Guidelines issued by the WSRA and the Company's accounting policies (including the Company's published accounting methodology statements, as defined in RAG 3.15, appendix 2).

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of the Annual Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Annual Performance Report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the Audit of the Regulatory Accounting Statements within the Annual Performance Report**

Our objectives are to obtain reasonable assurance about whether the Regulatory Accounting Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Regulatory Accounting Statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and in-house legal counsel about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the Regulatory Accounting Statements. These included;
  - Regulatory Accounting Guidelines as issued by the WSRA,
  - UK adopted international accounting standards
  - Tax Legislation (Governed by HM Revenue and Customs),

- General Data Protection Regulation
  - The UK Bribery Act
  - Anti-Money Laundering Legislation
  - Health & Safety Legislation
  - Ofwat Regulations
  - The Water Act (2003; 2014)
  - Environment Act (1995; 2021); and
- do not have a direct effect on the Regulatory Accounting Statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's operating licence, regulatory solvency requirements and environmental regulations.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, we also assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management and internal audit to understand where they considered there was susceptibility to fraud. We also considered performance targets and the potential incentives or opportunities to manage earnings. We considered the programmes and controls that the Company has established to address the risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programs and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing non-routine manual journals, adjustments to accrued income and capitalisation of costs, and were designed to provide reasonable assurance that the financial statements were free from material fraud.

Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiries of key management and in-house legal counsel, reviewing key policies, inspecting legal registers and correspondence of non-compliance from the relevant authorities and reports from any external legal teams, and reading board meeting minutes. We performed journal entry testing to ensure that there are no unusual legal or penalty expenses incurred during the year that haven't been disclosed and to ensure that the management is in compliance with the applicable framework. For any non-compliance noted, we assessed the accounting implications and read the financial statements to evaluate the appropriateness of the disclosures.

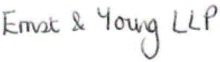
A further description of our responsibilities for the audit of the Regulatory Accounting Statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of this report

This report is made, on terms that have been agreed, solely to the Company and the WSRA in order to meet the requirements of Condition F of the Instrument of Appointment granted by the Secretary of State for the Environment to the Company as a water and sewage undertaker under the Water Industry Act 1991 ("Condition F"). Our audit work has been undertaken so that we might state to the Company and the WSRA those matters that we have agreed to state to them in our report, in order (a) to assist the Company to meet its obligation under Condition F to procure such a report and (b) to facilitate the carrying out by the WSRA of its regulatory functions, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the WSRA, for our audit work, for this report or for the opinions we have formed.

Our opinion on the Regulatory Accounting Statements is separate from our opinion on the non-statutory financial statements of the Company for the year ended 31 March 2025 on which we reported on 8 July 2025, which are prepared for a different purpose. Our audit report in relation to the non-statutory financial statements of the Company (our "Non-statutory audit") was made solely to the Company's directors. Our Non-statutory audit work

was undertaken so that we might state to the Company's directors those matters we are required to state to them in a non-statutory audit report and for no other purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume responsibility for any other purpose or to any other person to whom our Non-statutory audit report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Signed by:  
  
1604D51571FC47E...  
Eleri James (Senior statutory auditor)  
Ernst & Young LLP  
Bristol  
8 July 2025