August 2025 Delivery Plan

2025-26

Wessex Water
YTL GROUP

FOR YOU. FOR LIFE.

CONTENTS

1 Executive summary

1.1 What are Price Control Deliverables?

Every five years we submit a business plan to our economic regulator, Ofwat. This sets out what we need to do to meet the requirements of customers, new development and the environment. Ofwat reviews our plan: setting limits on customer bills and confirming what we need to deliver in the Final Determination. Ofwat's final determination for the period to 2030 was published in December 2024. Wessex Water have appealed this determination to the Competition and Markets Authority (CMA), which is due to make its determination by March 2026.

To ensure companies deliver the funded improvements, Ofwat have introduced Price Control Deliverables (PCDs). If we fail to deliver a PCD, we must return the associated funding to customers, protecting them from paying for undelivered or delayed work. The objective of PCDs is to ensure:

- **Accountability** – They increase regulatory oversight through detailed reporting and assurance requirements
- **Customer Protection** – They ensure customers aren't charged for improvements that aren't delivered
- **Timely Delivery** – They include time-based incentives to encourage companies to meet deadlines

To support the above objectives, we are required to publish our delivery plan each year. This includes data tables and associated commentaries for each PCD covering current and forecast outputs delivered, risk status (RAG) of deliverables, actual and forecast expenditure and how we are delivering against Interim Milestones (IMs). Where there are significant changes to these, we will also set out why these have occurred. This information will also be submitted to Ofwat in May (unassured), July (assured) and November (unassured) of each year.

1.2 What will we deliver?

At the heart of our business plan are eight outcomes that were developed in partnership with customers and stakeholders. Five of these outcomes have PCDs associated with their deliverables. We have summarised what we will do for each of these:

Table 1

Outcome	What we will deliver
Safe and reliable water	• Replace or reline 5,700 lead communication pipes and over 3,000 external lead pipes owned by customers • Deliver eight schemes to improve raw water deterioration
Sustainable abstraction	• Replace over 245km of mains • Install or upgrade over 235,000 meters • Save 10.4 Ml/d through water efficiency programmes
An effective sewerage system	• Reduce storm overflows by building 36 wetlands and increasing the storage volume at 107 sites

Excellent river and coastal water	• Improving nutrient removal of nitrogen at eight sites and removing the equivalent of phosphorus population equivalent of 1,557,500 • Install 470 continuous water quality monitors
Net zero carbon	• Install nitrous oxide monitors at 20 sites to reduce greenhouse gas by 2870 tCO_2e

1.3 How are we doing?

We remain committed to deliver the full list of obligations set out in our draft determination response (DDR) within the next five years.

We stand behind the high-quality plan we submitted and maintain that it represents the most efficient delivery profiles and cost estimates. We have asked the CMA to review Ofwat's final determination of our 2025-30 business plan and how much we can invest in essential water and sewerage improvements over the next five years. We have therefore retained the forecast costs and delivery profiles within our Statement of Case alongside actual expenditure to date as the baseline.

Although the programme represents a step change in size, a lot of the work is of a similar nature and style to that which we currently deliver. Due to this, and the early engagement we made across our supply chain we remain confident we can fully deliver all committed obligations.

In subsequent submissions, cost and delivery profiles will be updated based on the latest available information, setting out how and why changes from the baseline presented in this plan have occurred, as well as monitoring movement of projects through the Interim Milestones (IMs) to track progress.

Our plan has been developed in accordance with our internal governance processes and external assurance of our delivery plan was undertaken by Mott MacDonald.

1.3.1 PCD outputs, milestones and RAG status

The movements of note from our final determination (FD) are:

- Two Phosphorus schemes have been removed from the Water Industry National Environment Plan (WINEP) by the Environment Agency
- The MCERTs delivery profile has been updated by the Environment Agency in the WINEP

To help stakeholders understand how we're progressing, we use a simple colour system (called RAG status) for each area of our plan:

- **Green** = The PCD output will be achieved, performance is on track and there is no indication of factors that may cause performance deterioration in future years
- **Amber** = There is risk to meeting the PCD output but mitigations are in place to address the issue
- **Red** = The PCD output will not be achieved
- **Blue** = PCD output requirements are not going to be met because the outputs are no longer required in the short or long term

Unless stated below, all current RAG ratings are Green or Amber. This means that we are on track to meet all targets by the end of AMP8 (i.e. by 2030). We provide a summary of those not indicated as such below.

1.3.1.1 Mains renewal – base

Table 2

Table	PCD	Units	Target	Outturn and forecast	RAG
DPB1	Mains renewals – base	Km replaced	186	168	Red

We remain committed to delivering the 0.40% replacement rate outlined in our draft determination response which is reflected in the cost allocations. This is consistent with our statement of case to the CMA. This is marginally lower than Ofwat's target of 0.43% which is why this PCD RAG is red.

1.3.1.2 MCERTs

Table 3

Table	PCD	Units	Target	Outturn and forecast	RAG
DPWW1	Number of MCERTs monitoring schemes at SPS emergency overflows - Permits only	Permits updated	29	0	Blue

We have accelerated investment at these 29 sites, delivering the required monitoring ahead of 2025. Therefore, this specific investment is no longer required over 2025-30 and thus reported as "blue".

We are using the funding that was allocated, as agreed with the Environment Agency (EA) to deliver additional event duration monitors (EDMs) under PCDWW3.

1.3.1.3 Resilience uplift

Table 4

Table	PCD	Units	Target	Outturn and forecast	RAG
DPW1	W Resilience CC Uplift	Spend on scheme as a % of allowance	100	0	Red

The W Resilience CC Uplift is specifically designated for schemes that enhance power or flood resilience. As our previous investment plans have already focused heavily on building resilience in these areas, we did not request additional funding for them in our PR24 water supply submission. As a result, we currently do not have any identified schemes that meet the criteria for this funding.

1.3.1.4 Other PCDs

Sub-sets of the metering and MCERTs PCD have been recorded as Amber. They are Amber because the delivery profile does not fully match the target profile outlined by Ofwat. However, both PCDs are expecting to meet the target in 2029-30. The reasons for these differences are outlined in the PCD-specific commentary in section 3.

In relation to other PCDs, there remains significant uncertainty at this stage. We expect the scale of certain programmes to be confirmed through the CMA redetermination process. In subsequent submissions we anticipate adjustments to the baseline to reflect these. In addition, we remain at the early stage of delivery for many of the programmes with only 15 schemes fully scoped and designed (IM3). Our current position against the Interim Milestones (IM) is summarised in Table 5 below.

Table 5

Percent of schemes at each IM	IM0	IM1	IM2	IM3	IM4	IM5	IM6	Total	IM7
Water	0	6	5	0	4	0	0	**15**	0
Waste	1	232	83	15	21	6	0	**358**	2

1.4 What are our key risks?

Building on our successful delivery of the AMP7 capital programme, the Company has demonstrated resilience and adaptability in navigating major challenges such as the Covid-19 pandemic, Brexit, the war in Ukraine, and market volatility. This success was underpinned by robust risk management, including the development of a strong multidisciplinary in-house team, a straightforward partnering model, and proactive engagement with our supply chain. These efforts have fostered trusted relationships and enabled the implementation of collaborative frameworks.

Recognising the increased scale of investment required for AMP8, Ofwat extended the transition investment period to include both 2023–24 and 2024–25. However, we began preparatory work as early as 2022–23 to ensure readiness. This early start allowed us to initiate pre-construction activities aimed at reducing delivery risks, the success of which is demonstrated by the progression of interim milestones prior to April 2025.

Our business plan included our strategy and approach to deliverability which we have been implementing. In addition to this, YTL Infrastructure brings YTL's international expertise and resourcing reach together with Wessex Water's construction capabilities.

While significant progress has been made, several key risks to the programme remain:

- Internal resourcing – Challenges in recruitment, retention, skills shortages, or misalignment of workforce capacity with programme demands lead to delays, increased costs, reduced quality of outputs or missed outputs

  Key mitigations:

  - Strategic workforce planning
  - Talent acquisition and retention
  - Upskilling and training
  - Use of interim or contract staff to fill short-term gaps

- Supply chain capacity – The supply chain may lack the capacity (in terms of volume, speed, or flexibility) to meet project or operational demands, leading to delays, cost overruns, or quality issues

  Key mitigations:

  - YTL Infrastructure was established to provide greater resilience on delivery of the programme through enhanced access to the supply chain enabling greater procurement opportunities
  - Capacity assessments during procurement planning
  - Supplier collaboration and lead time tracking
  - Framework agreements with multiple suppliers
  - Early commitments, procurement and storage

- Land and planning permission – Inability to acquire planning consents required to conduct works in a timely manner results in delays

  Key mitigations:

  - Early and proactive engagement to mitigate issues early
  - Dedicated internal planning, ecology, estates and legal teams
  - Integration with programme planning and governance
  - Community and stakeholder engagement

2 General commentary

The approach taken in populating each table is outlined below.

Table 6

Table	Table numbers	Approach
Outputs and RAG	DPB1, DPWW1 and DPW1	The outputs reflect our current delivery profiles. Where there is a deviation from Ofwat's target profile, we have explained this in the PCD-specific commentary in section 3. The following logic has been applied to assign the RAG status: • **Green** = The PCD output will be achieved, performance is on track and there is no indication of factors that may cause performance deterioration in future years • **Amber** = There is risk to meeting the PCD output but mitigations are in place to address the issue • **Red** = The PCD output will not be achieved • **Blue** = PCD output requirements are not going to be met because the outputs are no longer required in the short or long term
Expenditure	DPB2, DPWW2 and DPW2	We have asked the CMA to review Ofwat's final determination of our 2025-30 business plan and how much we can invest in essential water and sewerage improvements over the next five years. We have therefore retained the forecast costs and delivery profiles within our response to the draft determination, updated to reflect our statement of case and actual expenditure to date as the baseline. We stand behind the high-quality plan we submitted and maintain that it represents the most efficient delivery profiles and cost estimates at this stage.
Interim Milestones	DPWW3 and DPW3	Where schemes have passed IM1 (solution agreement), the milestones are populated from the Programme plan. Where schemes have not passed IM1, milestone dates have been populated using templated programmes. We note, as we set out in the consultation feedback and May PCD submission commentary, that the IMs defined here do not necessarily have to follow chronologically. That is; a PCD driver could be complete (IM6) before takeover of the project (IM5). This can occur if the project is delivering multiple benefits to the site or if there are non-material snagging issues to correct. This can create some unintuitive profiles of IMs; where this is the case, we have clearly outlined the reasons in the following detailed commentaries.
Critical high-profile and enhanced engagement schemes	DPWW4 and DPW4	Poole P&N-removal scheme and Avonmouth FFT were identified specifically by Ofwat. We have identified four additional schemes as high-profile schemes due to their size, which is expected to be over £35m. All these schemes are wastewater schemes, and we have no schemes identified in DPW4.

Table	Table numbers	Approach
Growth schemes	DPWW5	All Growth schemes with an expenditure of over £10m have been included in the table. Avonmouth DWF scheme is recorded in DPWW4.
Resilience schemes	DPW5	We have identified an error in our May submission, where a resilience scheme was incorrectly included under DPW5 that does not meet the criteria for resilience uplift funding. As this funding cannot be applied to investigative work, and no suitable schemes are currently ready for delivery, we are unable to commit to spending this allocation at this time. We will revisit this position following the outcome of the CMA redetermination.

3 PCD-specific commentary

This section covers specific, detailed commentary for the associated data tables submitted alongside this document.

3.1 Base PCD outputs (tables DPB1 & 2)

3.1.1 Mains renewals (PCDB1a, b, & c)

3.1.1.1 Reported position

Table 7

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Mains renewals – base (km)	90%	Red
Mains renewals - asset health adjustment (km)	100%	Green

We are forecasting to achieve 0.27% replacement rate in 2025-26. We maintain forecast of a 0.4% average replacement rate over the five years, with an increasing profile over the period. There is no additional replacement included within the forecast to address leakage. The full profile can be seen in Table 8 below. This is consistent with our statement of case to the CMA.

Table 8

	2025-26	2026-27	2027-28	2028-29	2029-30	2025-30
Length of mains forecast (km)	12,208.9	12,238.9	12,268.9	12,298.9	12,328.9	n/a
Replacement rate %	0.27%	0.33%	0.39%	0.46%	0.55%	0.4%
Mains replaced (km)	33.0	40.4	47.8	56.6	67.8	245.6
Of which base (km)	21.3	24.9	28.4	41.0	52.3	167.9
Of which asset health adjustment (km)	11.6	15.5	19.4	15.5	15.5	77.6

As we progress through the programme, we will be prioritising replacement using a risk-based process, and so we do not expect a consistent split of trunk/distribution mains throughout the period, however at this stage we have applied the blended unit rate to give the overall cost forecast.

3.1.1.2 Interim milestones

Not applicable.

3.1.1.3 High profile schemes

Not applicable.

3.1.1.4 Track record of delivery

We have a substantial track record of delivering mains replacement efficiently which gives us confidence in the both the profile and costs set out above. We manage and deliver this work internally and so are less reliant on external supply chains. Over 2015-2025 we have delivered 354 km of distribution main replacement.

As can be seen in Table 8 above we will be ramping up our level of activity from 0.27% in year 1 to 0.55% in year 5 to ensure we can deliver this increase in activity in an efficient manner.

3.1.2 Network reinforcement (PCD3a & b)

3.1.2.1 Reported position

We are currently forecasting to spend all the allowed network reinforcement expenditure.

We have several network reinforcement schemes in flight in 2025-26, the top five of which are:

Table 9

	Scheme	AMP8 value (£m, 2022-23 prices)
1	Fordingbridge Development Strategic Scheme	2.0
2	Weston Villages (WSM) Sewerage Network Reinforcement	1.8
3	Newport Berkely Sewer Enhancements	1.4
4	Castle Cary, Development-Led Sewerage Enhancement	1.4
5	Chickerell, Weymouth Strategic Sewer Enhancement	1.3

We have also undertaken detailed modelling, to forecast where future investment is most likely, these are:

Table 10

Catchment	Potential requirement	Total forecast expenditure (2022-23 prices)
1. Avonmouth (South Glos & Bristol)	Foul network capacity reinforcement to serve areas of proposed domestic development identified from interrogation of published local plans, current planning applications and developer enquiries submitted to Wessex Water.	≥ £4 million
2. Wool (Purbeck)	Foul network capacity reinforcement to serve areas of proposed domestic development identified from interrogation of published local plans, current planning	≥ £4 million

	applications and developer enquiries submitted to Wessex Water.	
3. Kingston Seymour (North Somerset)	Foul network capacity reinforcement to serve areas of proposed domestic development identified from interrogation of published local plans, current planning applications and developer enquiries submitted to Wessex Water.	≥ £2 million
4. Chippenham (Wiltshire)	Potable and foul network capacity reinforcement to serve areas of proposed domestic development identified from interrogation of published local plans, current planning applications and developer enquiries submitted to Wessex Water.	≥ £2 million
5. Chard (South Somerset)	Foul network capacity reinforcement to serve areas of proposed domestic development identified from interrogation of published local plans, current planning applications and developer enquiries submitted to Wessex Water.	≥ £2 million

The ongoing schemes and above catchments represent c£26m investment that is highly likely over the next 2-3 years, with expenditure in less impacted catchments and emergent needs making up the rest of our forecast.

However, as all local plans within the Wessex Water catchment are currently subject to review and consultation to meet revised target housing numbers there is a greater uncertainty over these potential requirements / reinforcement work. We anticipate that the outputs from the latest planning reviews will lead to an ongoing review of the work and expenditure profile over AMP8.

3.1.2.2 Interim milestones

Not applicable.

3.1.2.3 High profile schemes

Not applicable.

3.1.2.4 Track record of delivery

We have a well-established process of engaging with planning authorities and developers to ensure the most efficient investment is undertaken in how, where, and when they connect to our network to minimise the need for additional investment in our current assets. In April 2021 we introduced a new developer delivered requisition (DDR) offering which gives developers the opportunity to design and construct eligible offsite foul and surface water sewers through third-party land while acting under our statutory powers of entry. Additional changes introduced at the same time also set out new rules for processing Wessex delivered requisitions.

We offer advice and technical guidance on water supply and drainage issues for new housing estates and commercial areas, working closely with planning liaison and operations to identify capacity constraints and agree points of connection. We receive income through fees and infrastructure charges which are then used for network improvements to serve future development

3.2 Wastewater enhancement PCD outputs (tables DPWW1 to 4)

3.2.1 Continuous water quality monitoring (PCDWW2b)

3.2.1.1 Reported position

Table 11

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Continuous river water quality monitoring (CWQM) (Nr)	100%	Green

We are forecasting to deliver the targeted 470 monitors over the coming five years. Due to the transition expenditure and early focus on this programme we have been able to advance delivery slightly. We are forecasting to deliver 20 in year one compared to the target of 10 to derisk delivery later in the period.

We maintain our forecast costs of £129.874k per unit as submitted in our DDR.

These monitors come with significant ongoing operational costs which we have not reflected in the cost tables for AMP9.

3.2.1.2 Interim milestones

Not applicable.

3.2.1.3 High profile schemes

Not applicable.

3.2.1.4 Track record of delivery

Although a new activity for the sector, an early focus on this programme enabled through transition investment has meant that we have clearly defined scope and standardised design for these installations. We have progressed trials at sites in Warminster, Langford Lakes, Ilchester, Westbury, Wedmore, Chew Stoke and Martinstown with physical monitoring stations sampling river water quality and transmitting this data for analysis. The purpose of these trials is to identify the most suitable solutions, reflecting the situation that site locations vary physically.

This has involved the detailed review of sampling equipment, market assessment, information security reviews and the delivery of incremental design enhancements as we learn from the trials.

These trials will undergo formal design reviews as they are converted to a permanent installation (as part of achieving our Year 1 target of 20 site installations)

Standard designs fall into two broad types as below, with engineering drawings under development.

- **Type A: In River** : where the sonde is submerged in the river, with power and telemetry hosted in the supporting infrastructure. The supporting infrastructure can be above or below ground

- **Type B: Pumped kiosk:** where the sonde, alongside the power supply, pump and telemetry is housed in an above ground kiosk. A filter placed in the river collects the sample with a connector hose transferring this to the sonde for analysis
- Solutions and market offerings continue to evolve, and it is likely that additional standard designs will be deployed (e.g. a floating platform). The trial work will be subject to technical design reviews before being adopted as a “standard design”.

This will provide the output with a clear pathway forward with the technology and design for each site that we have tested and have confidence in its reliability and accuracy for the reported data.

3.2.2 MCERTs (PCDWW3)

3.2.2.1 Reported position

Table 12

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Number of MCERTs - EDM only	71%	Amber
Number of MCERTs - EDM + civils	175%	Green
Number of MCERTs - EDM + PFF	0%	Amber
Number of MCERTs - EDM + PFF + civils	118%	Green
Number of MCERTs - Permits only	0%	Blue

We are forecasting to install 311 monitors. This is a step change from our DDR and our Statement of Case to the CMA, but consistent with the latest view agreed with the EA through development of the WINEP.

Additionally, post-DDR Defra requested a doubling of the number of sites requiring monitoring, an increase from 25% to 50% of emergency overflows sites (letter dated 21 August 2024). Ofwat subsequently requested costs from companies for the 50% monitoring programme and this was included in the Final Determination allowance for PR24.

Due to the increase in size of this programme, and uncertainty of the sites where monitors are required the split between categories is not yet fully known. Table 13 below sets out how this view has evolved since the final determination.

Table 13

Driver	Driver description	Final determination (2024)	WINEP (Jan 2025)	WINEP (April 2025)	DPWW1 (forecast May 2025)
U_MON6a	EDM only (non-civil)	65	96	123	46
U_MON6b	EDM only (civil works)	44	-	-	77
U_MON6c	EDM & PFF (non-civil)	28	196	188	188

U_MON6d	EDM & PFF (civil works)	160			
U_MON6e	Permit only	29	23	-	-
Total		326	315	311	311

Differences in the figures are explained by timing issues with FD and EA WINEP developments, and permitting processes.

- EDM monitoring sites [U_MON6a and U_MON6b drivers] have been combined as the distinction between U_MON6a (non-civils) and U_MON6b (with civils) is not clear
- Similarly, sites requiring both EDM monitoring and flow to treatment [U_MON6c and U_MON6d] have been combined as the distinction between U_MON6c (non-civils) and U_MON6d (with civils) are not known
- Some permit-only sites [U_MON6e] were included in our original plan, to permit the 29 monitors installed in AMP6. These are now permitted and have been removed from our latest AMP8 programme. However, in order to maintain expenditure levels additional sites have been added to the U_MON6b list

We are planning to survey all sites in AMP8 Year 1, and only when this is completed will we be confident of what sites are being delivered within each Driver category.

Further changes are expected and agreed with the EA as more accurate information becomes available. We have a confirmed delivery plan with the EA which we have used as the basis of the return.. The cost profiles included are consistent with our view of the efficient costs for delivering these requirements.

3.2.2.2 Interim milestones

Not applicable.

3.2.2.3 High profile schemes

Not applicable.

3.2.2.4 Track record of delivery

This programme follows on from monitoring of CSOs of which we delivered over 1,000 EDM installations in the period 2015-2025. However, the U_MON6 programme requires these to be certified (MCERTs) in a similar manner to the U_MON3 ongoing programme. This U_MON6 programme also includes 188 flow monitors, a step change from the 29 we installed on pumping stations between 2015 to 2020 and the U_MON4 ongoing programme.

This gives us a good understanding of both delivery costs and programmes and shows a reliable track record of delivering this type of investment.

3.2.3 Storm overflow wetland (PCDWW5b)

3.2.3.1 Reported position

Table 14

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Number of storm overflow schemes (Nr)	100%	Green
Wetland area delivered (ha)	100%	Green

The Environmental Agency WINEP programme, as well as the Ofwat PCD, has 36 sites identified in the Storm Overflow Wetland programme.

We have actively engaged with Defra and the EA to trial the efficacy of nature-based solutions as an alternative approach to address groundwater influenced storm overflows. The programme has evolved and continues to do so.

This is demonstrated with 36 evidence packs resubmitted at the end of March 2025, this included some 'new' sites as well as a high number of the original sites with the required additional and updated information advised by Defra in December. On 27th June 2025, Defra approved 31 sites to progress and advised of the progress to do so. Liaison is required with the EA to develop Operating Techniques Agreements to manage the trial and ensure appropriate reporting of data. The aim is for all sites to be operational by 2027, with a view that the trial is completed by March 2030, to inform future permitting requirements and guidance with respect to nature-based solutions.

At present we are still looking to deliver 36 sites to match the Ofwat PCD for delivery and an area of 30.87 hectares by March 2030.The current forecast expenditure for AMP8 is £95.884m, though there is some uncertainty over the final cost due to the variety of sites / methods being employed.

3.2.3.2 Interim milestones

The Interim Milestone dates have been compiled using the following process:

- Milestone dates pulled from latest programme forecasts
- Where a scheme hasn't started outline design a template NBS delivery programme has been used to established initial milestone dates; the template programme is based around a 24-month delivery programme.

The milestone dates proposed, provide the following profiles against the two delivery PCDs: area of wetland and number of schemes delivered.

PCD Targets	Year 1	Year 2	Year 3	Year 4	Year 5	
Target - Area	**0**	**0**	**0**	**0**	**30.87**	**ha**
Delivered Area	0.86	5.15	11.15	18.87	30.87	m3
Target - No. of Schemes	**0**	**0**	**0**	**0**	**36**	
No. of Schemes	1	6	13	22	36	**Number**

Most of the schemes are currently at IM1, with two at IM3. underway, By the end of this financial year we are forecasting that 19 will have reached IM2. Three will reach IM3, one will be at IM4 and one at IM6.

3.2.3.3 High profile schemes

Not applicable.

3.2.3.4 Track record of delivery

This is a new and initiative programme of works, but we do have some limited experience through the improvements provided at Hanging Langford (2013) and five improvements we have made as part of the AMP7 early start programme at Ubley, Butcombe, Barford St Martin, Great Wishford and Cranborne; these sites are currently going through a process of monitoring.

Although the regulatory deadline is March 2030, we are already onsite at two other sites in this financial year, Bulbury and Cheddar, with another due to start imminently depending on the planning process.

3.2.4 Nitrogen removal (PCDWW9)

3.2.4.1 Reported position

Table 15

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Total number of schemes delivered to meet compliance (Nr)	100%	Green
Population equivalent served by schemes delivered to meet compliance (Nr)	100%	Green

We have eight sites where tighter nitrogen permit levels will be in place by 31st March 2030, in conjunction with other drivers such as P removal. We are forecasting to complete all by the due date and early focus on this programme has enabled us to prioritise land purchase, power upgrades etc. to reduce the risk to delivery. The schemes are:

Table 16

Scheme Name	Scheme ID	Current Regulatory Date
Maiden Bradley WRC – AMP8 Improvements	D18230	31-Mar-30
Blackheath WRC – AMP8 Improvements	D18138	31-Mar-30
Dorchester WRC – AMP8 Improvements	D18225	31-Mar-30
Lytchett Minster WRC - AMP 8 / 9 P & N Reduction	D18245	31-Mar-30
Poole WRC - AMP 8 / 9 P & N Reduction	D18246	31-Mar-30
Wareham WRC – AMP8 Improvements	D18235	31-Mar-30
Wool WRC – AMP8 Improvements	D18238	31-Mar-30
Collingbourne WRC – AMP8 Improvements	D18224	31-Mar-30

The current forecast total expenditure is £203.380m. In line with Ofwat's delivery plan guidance, we have excluded AMP9 operating and maintenance expenditure from the outturn and forecast tables.

However, we have retained AMP9 enhancement capital expenditure costs for schemes that that are operationally and financially committed in AMP8 where these relate solely to expected post-AMP8 activities such as snagging and elements that won't affect the PCD date (e.g. road surfacing, final landscaping).

We have therefore included these costs to ensure a complete and transparent representation of the financial implications of ongoing enhancement delivery. These costs are separately identified and only relate to forecasted spend directly linked to AMP8 enhancement schemes continuing into AMP9.

3.2.4.2 Interim milestones

Efficient and timely delivery of this programme was enabled using transition funding, with all eight schemes forecast to have reached IM2 by the end of December 2025. The five largest schemes will reach IM3 in Yr2.

3.2.4.3 High profile schemes

Scheme-level data has been provided within DPWW4 for the following schemes because of their size (they are being delivered together with other drivers such as P-removal):

- Blackheath WRC
- Dorchester WRC
- Poole WRC
- Wool WRC

3.2.4.4 Track record of delivery

Reducing nitrogen levels to those required by the end of AMP8 is not new - we have completed two similar schemes in the past, at Poole and Wareham WRCs. Wareham was completed in AMP6 and on time. Both schemes involved the dosing of methanol following a review of suitable commercially available or viable methods. Due to the H&S issues involved in the use of methanol, we have carried out the review again for AMP8, and the conclusion is that there are still no other suitable alternatives available.

The main risks to delivery at this stage relate to land purchase and planning approval for some of the sites. For instance, there is a single field adjacent to Wool WRC and we need to purchase it and get planning approval before we can commence construction.

3.2.5 WINEP investigations (PCDWW18)

3.2.5.1 Reported position

Table 17

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Number of satisfactorily completed WINEP / NEP investigations (Nr)	100%	Green

There are 424 WINEP investigations to be delivered to meet this PCD requirement, 422 of which are to be delivered by Year 3 and the remaining two to be delivered in Year 5. Table 18 below shows the delivery profile.

Table 18

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Outputs by year	0	0	422	0	2	424
Cumulative outputs by year	0	0	422	422	424	424

The 422 outputs in Year 3 include 392 investigations with an EnvAct_INV4 driver; investigations to reduce storm overflow spills to protect the environment so that they have no local adverse ecological impact. The reminder are investigations that include Water Framework Directive, Habitats Directive, SSSI, and Bathing Water and Shellfish water drivers.

All WINEP investigation outputs are on track for delivery to the timescales set out in the WINEP and by the PCD deadline of March 2030.

3.2.5.2 Interim milestones

Not applicable.

3.2.5.3 High profile schemes

Not applicable.

3.2.5.4 Track record of delivery

The AMP8 WINEP wastewater investigations programme has commenced. Scopes of work have largely been agreed with local regulatory officers through Action Specification Forms (ASFs). In agreement with the regulators, some ASFs remain outstanding where further Environment Agency guidance was awaited (e.g. the regulatory position on Catchment Nutrient Balancing). These outstanding ASFs are expected to be finalised in the second six months of 2025.

Desk studies and monitoring plans have been prepared or are currently in preparation and have been shared with regulators, where required. Water quality and ecological monitoring and modelling has also commenced. Local and national Environment Agency and Natural England officers are being kept informed of progress.

3.2.6 Sludge cake storage (PCDWW24b)

3.2.6.1 Reported position

Table 19

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Sludge Storage area delivered (m^2)	100%	Green

We are forecasting to deliver over 31,000 m^2 of sludge cake storage across three sites: Avonmouth, Trowbridge and Malmesbury BCs. These locations have been strategically identified to optimise cake transportation movements.

Table 20

Scheme Name	Scheme ID	Area of Storage Provided (m^2)
Avonmouth BC - Cake Storage Barn	D18540	4,477
Trowbridge STC - AMP8 Cake storage (Barns)	D18535	8,954
Malmesbury WRC - Sludge cake storage (Barns)	D18541	26,862

The current forecast total expenditure is £42.070m. Early investment in the programme has given a high level of certainty with standard construction costs. However, there remains some uncertainty over scope and final costs, specifically the effects of the implementation of the Industrial Emissions Directive and Biodiversity Net Gain.

Because of the possible (nationwide) impact of the Farming Rules for Water on landbank availability, we are looking to accelerate delivery of the schemes at Trowbridge and Malmesbury to enable the storage to be available sooner than originally intended. The cake pads will be designed and constructed to enable erection of enclosed Dutch-type barns to follow with minimal disruption to sludge management operations. The barns will be required to enable the sites to be permitted under IED by the end of AMP8.

3.2.6.2 Interim milestones

The three schemes will all reach IM2 stage this financial year, while the one at Avonmouth is also expected to reach IM3 as it will be the first to be completed.

Project-specific risk registers will be developed as the schemes progress through to IM2. However, the main risks to delivery relate to Malmesbury, where land purchase and planning could cause delays. Initial discussions had taken place with the landowner a few years ago and they were receptive / positive at the time.

3.2.6.3 High profile schemes

Not applicable.

3.2.6.4 Track record of delivery

Quality issues with the Winter spreading of sludge cake to land resulted in the provision of approx. 15,000m^3 of sludge storage capacity in the form of four Dutch-type barns in AMP6, three at Taunton BC and the other on private land at Wimborne St Giles. These were delivered on time and in use by the end of March 2020.

An adaptive approach is being taken for the delivery of the storage areas at three sites. Cost certainty was derived through use of the final cost data from the AMP6 schemes and broken down to determine specific stage costs e.g. concrete slab, drainage/ground works and portal frame. The adaptive approach provides a pathway for IED compliance decisions.

3.2.7 IED compliance (PCDWW30)

3.2.7.1 Reported position

Table 21

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Number of sites achieving IED compliance (Nr)	100%	Green

We are forecasting to deliver IED compliance at four sites by 2030. These are:

- Poole BC by Q4 2028-29
- Trowbridge BC by Q4 2029-30
- Berry Hill BC by Q4 2029-30
- Avonmouth BC by Q4 2029-30

We are no longer implementing IED at Taunton as for safety reasons the sludge digestion has been isolated and is in the process of being decommissioned. The expenditure we had identified for IED at Taunton in our draft determination response will be reallocated to reflect the rationalisation of our current IED proposals. This has been communicated to Ofwat through the CMA redetermination process. We have reported these costs as enhancement and in our PCD reporting following recent discussions with Ofwat.

We have included two entries for Poole BC because of overlap / synergies with the work that started in AMP6 as a strategic capital maintenance scheme to completely refurbish the sludge treatment stream at the site, which extended through AMP7 and into AMP8. The scheme has identified and incorporated elements required for IED compliance as it has progressed. For example, a complex solution such as “Secondary Containment” has been identified separately under the more recent “IED Improvement” scheme. We are reviewing the costs of the scheme to ensure only costs related to IED are reported.

We have shared our plan with the Environment Agency and are working collaboratively with them on achieving IED compliance.

We are planning on setting out the methods we will employ to provide the evidence that we are operating these sites in compliance with the Environmental Permit conditions. We will do this through engagement with the EA at local and national level where required as these schemes reach subsequent Interim Milestones.

3.2.7.2 Interim milestones

Although work is only required at four sites, we will be delivering this through five distinct schemes set out in table DPWW3.

These schemes are all currently in flight, with 75% of them at IM1. By the end of the financial year we are looking to progress four through to IM2 with a couple at IM3 & 4.

Risk registers will be further developed as the schemes progress through to IM2.

3.2.7.3 High profile schemes

Not applicable.

3.2.7.4 Track record of delivery

We have been engaging with the EA on requirements for IED compliance since 2023. This has led to a well understood scope; on sites and assets we understand. Therefore, we are confident that we can deliver these schemes in the timescales required.

Forecast costs reflect our latest view, however, there remains uncertainty due to the large and disruptive nature of these projects and the tight timescales.

3.2.8 Climate change uplift (PCDWW32)

3.2.8.1 Reported position

Table 22

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Spend on schemes for power and flood resilience delivered (%)	100%	Green

We plan to start work on this towards the end of the year with investment in 2026-27. We are on target to achieve this and will be using a standardised repeatable generator design and solution at sites that meet the criteria.

3.2.8.2 Interim milestones

Not applicable.

3.2.8.3 High profile schemes

Not applicable

3.2.8.4 Track record of delivery

This is a new requirement, and the investment offered can only be spent in a particular way. We have previously identified requirements for backup power supplies at wastewater sites. We will look to see if these comply with the specification set out in the Climate Change Uplift documentation.

3.2.9 Storm overflow storage (PCDWW5)

3.2.9.1 Reported position

Table 23

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Storm overflow equivalent storage (m3)	100%	Green

The Environmental Agency WINEP programme has 107 sites identified in the Storm Overflow Improvement programme to by delivered by 31st March 2030.

There is also a PCD based on cumulative equivalent volume provided on an annual basis.

Each site also has a stated volume and are based on our latest view as outlined in the FD, we will work with Ofwat to update volumes to inform revised cost allowances as more information comes to light through design.

The storm overflow improvements to reduce spill frequencies at storm overflows have been grouped into three categories:

- Grey – provision of storage attenuation
- Green – surface water separation within the upstream catchment
- Hybrid – a mixture of both 'Grey' and 'Green'

There are a total of 101 Grey/Hybrid sites and six Green sites.

3.2.9.2 Interim milestones

The Interim Milestone dates have been compiled using the following process:

- Milestone dates pulled from latest programme forecasts
- Where a scheme isn't currently being forecasted, still early in delivery of AMP, a template for delivery has been used to established milestone dates; two templates have been used, where volume is less than 250m^3 then a 24-month delivery template is used and where volume is greater than 250m^3 a 37-month template has been used
- Template milestone dates have then been reviewed by the delivery team and adjusted accordingly

The milestone dates proposed, provide the following profiles against the two delivery PCDs: area of wetland and number of schemes delivered.

PCD Volume Cumulative	Year 1	Year 2	Year 3	Year 4	Year 5
Target	**0**	**7797**	**54577**	**93560**	**155934**
Milestone Date	3433	17375	60920	86394	155934
Volume vs target	3433	9578	6343	-7166	0
Reward/Penalty	108	300	199	-674	0

No. of Schemes	5	19	28	20	35

Of the 107 schemes currently underway, 31 will reach IM2 by the end of this financial year. 18 will reach IM3, two will be at IM4 and two at IM6.

3.2.9.3 High profile schemes

Not applicable.

3.2.9.4 Track record of delivery

In AMP7, there were 13 storm overflow improvement outputs that were delivered, the table below shows the volume delivered for each site. We also provided storm storage at Holdenhurst STW to meet bathing water requirements.

			Storage Constructed (m3)	Pumped return?	Surface Water Area Removed (m3)
7WW3001	U_IMP4	WEST BEXINGTON SPS	N/A	N/A	372
7WW3003	U_IMP4	Bristol Hanham Beechwood Avenue CSO	50	Y	0
7WW3001	U_IMP4	WATLEYS END CSO 16561	480	Y	0
7WW3003	U_IMP4	NIGHTINGALES BRIDGE CSO	180	Y	0
7WW2003	U_IMP4	FRAMPTON COTTERELL, ST PETERS CHURCH (N	225	Y	0
7WW2002	U_IMP4	CULVER ST RECREATION PARK CSO OFF POUNI	168	Y	0
7WW3003	U_IMP4	Bath Fox Hill O/S Woodlands Cottage CSO	99	N	0
7WW3003	U_IMP4	Saltford, Saltford Hill CSO	50	Y	0
7WW3003	U_IMP4	Wellow WRC 13331C	93	Y	0
7WW2006	U_IMP4	NORTH PETHERTON WRC	804	Y	0
	U_IMP4	Lambridge CSO	160	Y	0
	U_IMP4	Frome Westaway CSO	Sewer upsizing - no volume equivalence provided	N	0
	U_IMP4	Portland Bill SPS	6	Y	0
7WW2004	BW_IMP3	HOLDENHURST STW	9000	Y	0

For the start of this programme, we are currently programmed to complete five sites in 2025-26, with £16.1m currently forecast to deliver these. In total, £27.587m is forecast in the same year which will also cover 45 other sites in feasibility, 19 in optioneering, 10 in outline design and four in detailed design,. The current forecast expenditure for AMP8 is £326.931m. This together with the wetlands detailed in 3.2.3 above make up the whole of the AMP8 SO programme.

3.2.10 Flow to full treatment (FFT) (PCDWW4)

3.2.10.1 Reported position

Table 24

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Flow to full treatment: litres per second (l/s)	100%	Green

This PCD relates to five schemes that are all related to the delivery of an FFT driver at Avonmouth WRC. The site was included as part of a programme of FFT improvement schemes in PR19, but following consultation with the EA a future PR24 DWF driver was advanced and two were combined to enable improved efficiency in delivery.

The EA agreed to a new Reg. Date of 31st March 2028 with the output being an increase in FFT of 600l/s.

3.2.10.2 Interim milestones

Scheme completion is forecast for 2027-28 Q3.

3.2.10.3 High profile schemes

Scheme-level data has been provided in DPWW4 accordance with Ofwat's guidance that the schemes at Avonmouth WRC are included as a high-profile scheme.

3.2.10.4 Track record of delivery

There are few remaining risks that could potentially affect the timely delivery of this project The scheme is already well advanced with the areas that carry most risk completed e.g. groundworks, planning approval. Most of the civil structures have been constructed and mechanical installation has commenced in some areas. Adverse weather could have an effect but given the timescale remaining and the fact that most of the work left is above ground this is unlikely to be an issue.

3.2.11 P removal (PCDWW10)

3.2.11.1 Reported position

Table 25

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
P removal: Population equivalent served (000s)	100% (2033)	Green

There are 122 schemes to deliver P removal in PR24 and we plan to deliver all 121 schemes with March 2030 regulatory dates as confirmed in our DDR. Note that this is a snapshot view, and the profile and number of schemes may change because of ongoing consultation on the WINEP with the EA.

This compares to 124 schemes assessed at FD. The reduction reflects changes to the WINEP (9th August 2024) that were post-DD but before our DD response, removing schemes at:

- Charlton Horethorne (£0.619m allowance), and
- Sparkford (£1.875m)

The PCDs are not being updated to reflect this scheme removal, but we will continue to discuss this with Ofwat due to the impact on time incentives if schemes are no longer required.

The current forecast total expenditure in AMP8 for this programme of works is £887.264m. One scheme at Holdenhurst WRC has a regulatory date of March 2033, with the PE to be delivered shown profiled accordingly into AMP9. We will be seeking the additional costs forecast beyond 2030 at PR29 as agreed in [query OFW-FD-WSX-006]. Where Ofwat has stated that:

"…..we will remove Holdenhurst WRC's population equivalent (PE) from delivery by 2029-30. We will add the PE for delivery for 2032-33 in sheet 'PCD outputs and time incentives'".

This has been reflected in the updated Wastewater scheme level PCD v3 published 13/06/2025, however, this has not been reflected in the PCD target profile in DPWW1 yet. We will continue to engage with Ofwat on this matter.

The profile reported here includes only those schemes assessed through the P-removal model (PR24-FD-CA60-Wastewater-p-removal-enhancement-expenditure-model-v2). It does not include nature-based solutions or transfers which were assessed through other means (such as East Harptree WRC).

In line with Ofwat's delivery plan guidance, we have excluded AMP9 operating and maintenance expenditure from the outturn and forecast tables. However, we have retained AMP9 enhancement capital expenditure costs for schemes that that are operationally and financially committed in AMP8

where these relate solely to expected post-AMP8 activities such as snagging and elements of scope that won't affect the PCD date (e.g. road surfacing, final landscaping).

We note that Ofwat's guidance does not explicitly exclude enhancement capex of this nature from the data tables, and we have therefore included these costs to ensure a complete and transparent representation of the financial implications of ongoing enhancement delivery. These costs are separately identified and only relate to forecasted spend directly linked to AMP8 enhancement schemes continuing into AMP9.

There are risks in this programme of delivery, particularly related to the availability of design resources and the capability of suppliers to satisfy the increased demand for plant / supplies..

3.2.11.2 Interim milestones

Efficient and timely delivery of this programme was enabled through the availability of transition funding, with 15 schemes forecast to reach IM3 this financial year, 10 reaching IM4 and three at IM5.

We are forecasting 121 schemes to be delivered by Q4 2029-30, the exception being Holdenhurst as set out above, which is due to be delivered by 2033 and beyond the scope of this DPWW3.

We have not reported under IM7 the two schemes no longer in the WINEP, as they are not included in table DPWW2 or 3. We believe that this is consistent with the PCD Delivery Plan Guidance.

3.2.11.3 High profile schemes

Scheme-level data has been provided within DPWW4 for the following schemes because of their size (they are being delivered together with other drivers such as N-removal or Growth):

- Blackheath WRC
- Dorchester WRC
- Poole WRC
- Wool WRC

3.2.11.4 Track record of delivery

We completed just over 60 schemes in AMP7 at sites that either had no current phosphorus permit limit or were having a tighter permit applied. These were delivered through our own internal group responsible for both operational activities and engineering / construction. Some of these still have some snagging works ongoing but all were producing effluent to the required standard by the appropriate regulatory date.

The PR24 programme covers twice the number of sites, but the technology required is generally known to us and we are confident that in those cases the programme is deliverable. The schemes will still be delivered through the same resources as previous.

At the sites where new technology is being employed to get down to tighter levels, the current template programmes do indicate the delivery can be achieved but there is a risk (as stated above) because of the 'novel' nature of those particular schemes.

3.2.12 Growth at sewage treatment works (PCDWW27)

3.2.12.1 Reported position

Table 26

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Growth to Sewerage Treatment works: Added Process Capacity in PE (Nr)	100%	Green

59 schemes were included in our business plan submission, of which four have been excluded in our PCD submission as they do not have planned expenditure during AMP8.

In line with Ofwat's delivery plan guidance, we have excluded AMP9 operating and maintenance expenditure from the outturn and forecast tables. However, we have retained AMP9 enhancement capital expenditure costs for schemes that that are operationally and financially committed in AMP8 where these relate solely to expected post-AMP8 activities such as snagging and elements of scope that won't affect the PCD date (e.g. road surfacing, final landscaping). The growth programme is under continual review and subject to change as while comprised of individual schemes, we consider it to be a multi-AMP programme of works that is based on risk prioritisation at a point in time. This includes the alignment of schemes to also include quality enhancement drivers for example and deliver cost savings as a result to ensure investment is efficient and focused. It also means we will be commencing design (and therefore spend) on schemes that will deliver additional capacity in AMP9.

The current forecast total expenditure in AMP8 for this programme of works is £172.147m. We note that Ofwat's guidance does not explicitly exclude enhancement capex of this nature from the data tables, and we have therefore included these costs to ensure a complete and transparent representation of the financial implications of ongoing enhancement delivery. These costs are separately identified and only relate to forecasted spend directly linked to AMP8 enhancement schemes continuing into AMP9.

3.2.12.2 Interim milestones

44 of the remaining 55 schemes are currently forecast to meet their associated PCD output by Q4 2029-30. As mentioned in our consultation response, it is feasible to achieve IM6 before IM5. Eighteen schemes are forecast to achieve IM6 in 2029-30 and IM5 in 2030-31.

The remaining 11 schemes are unaccounted for in all Interim Milestones as they are due to commence design in AMP8 but be delivered in AMP9 (as reflected in our business plan) and therefore not reflected in the data tables. However, the milestones for all growth schemes have been provided in DPWW4.

3.2.12.3 High profile schemes and scheme-level data for growth

Scheme-level data has been provided within DPWW5 for the following schemes because of their size (they are being delivered together with other drivers such as P-removal):

- Pewsey WRC
- Ringwood WRC
- Salisbury WRC

3.2.12.4 Track record of delivery

Over the previous three AMPs, we have made full use of the funding provided in catering for identified growth.

3.2.13 Sanitary parameters (PCDWW12)

3.2.13.1 Reported position

Table 27

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Treatment for tightening of sanitary parameters: Population equivalent served (000s)	100%	Green

We have 12 sites that require improvements in PR19 to help ensure there's no deterioration in quality of the associated waterbodies. They will all be delivered by March 2030, some in conjunction with other drivers such as P removal and / or Growth. The current forecast total expenditure in AMP8 for this programme of works is £84.779m.

3.2.13.2 Interim milestones

The scheme at Leyhill is already on site and will be complete (IM5) by the end of this financial year. Three will have reached IM1, four will be at IM2 and one at IM4.

3.2.13.3 High profile schemes

Scheme-level data has been provided within DPWW4 for Blackheath WRC because of its size (it is are being delivered together with P & N-removal drivers.

3.2.13.4 Track record of delivery

There were eight schemes completed in AMP7 that had sanitary drivers, either together with other drivers or on their own. These were delivered on time and all new plant that was required was available to enable the tighter permit limits to be met.

3.2.14 PR19 WINEP carryover actions (PCDWW35)

3.2.14.1 Reported position

Table 28

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
PR19 WINEP Carryover actions: Number of schemes (Nr)	100%	Amber

This PCD relates to the completion of one scheme, at Blagdon WRC. It was included as part of the programme of quality improvement (P-removal) schemes in PR19. Early in AMP7, we decided to combine the schemes at Blagdon and Ubley WRCs to address four regulatory drivers, consolidating

treatment at Blagdon and transfer flows from Ubley via a new pumping main. While the funding required to achieve this was greater than the combined PR19 allowance, we pursued this solution as it was felt to be best for our customers and removed an effluent discharge to an SSSI.

Due to the more complicated nature of the combined scheme and delays associated with third parties (e.g. land purchase, planning approval), the EA agreed a two-year extension to the Reg. Date through a Major Alteration to 22nd December 2026. Following this, delays have continued, partly associated with Pennon Group's takeover of Bristol Water and inaction from Bristol City Council on planning issues that had been raised. While we are now on site and currently forecasting completion by the due date, there is little float left in the programme to accommodate any further delays and at this time the risk to delivery is sufficient enough to result in an Amber RAG rating.

3.2.14.2 Interim milestones

Discharge of planning conditions and last-minute delays with land purchase / access have resulted in IM3 being delayed a couple of months but still completed in 2025-26 Q1. IM4 is due in 2025-26 Q2.

3.2.14.3 High profile schemes

Though not one of the most critical high-profile projects at this stage, this scheme does meet some of the high-profile criteria detailed in Ofwat's feedback on our draft delivery plan for the reasons noted above..

3.2.14.4 Track record of delivery

We have delivered every other PR19 scheme with similar outputs on time.

3.2.15 Greenhouse gas reduction (PCDWW34)

3.2.15.1 Reported position

Table 29

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Greenhouse gas reduction (net zero): tCO2e (tonnes)	100%	Green
Greenhouse gas reduction (net zero): Number of sites (Nr)	100%	Green

We are proposing to start implementation of schemes over and above our day-to-day operational investment in 2026.

3.2.15.2 Interim milestones

We have a single scheme Interim Milestone and this is at stage IM1. A need has been generated for EV charging that is in the definition of GHG provided as part of the CMA statement of case.

3.2.15.3 High profile schemes

Not applicable.

3.2.15.4 Track record of delivery

As the impact of reducing nitrous oxide emissions by optimising treatment processes has only recently been recognised, a nitrous oxide monitoring programme hasn't been delivered before. Though we successfully delivered a nitrous oxide trial that assessed different technologies and process control.

3.2.16 Enhancement not linked to PCDs

3.2.16.1 Reported position

Our total other non-PCD enhancement wastewater / bioresources totex does not represent an exhaustive list of AMP9 enhancement schemes, with the majority of costs relating to enhancement operating expenditure following the completion of AMP8 capital works.

3.2.16.2 Interim milestones

Not applicable

3.2.16.3 High profile schemes

Not applicable

3.2.16.4 Track record of delivery

Not applicable

3.3 Water enhancement PCD outputs (tables DPW1 to 4)

3.3.1 WINEP/NEP investigations (PCDW8)

3.3.1.1 Reported position

Table 30

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Water WINEP/NEP Investigations (Nr)	100%	Green

For water investigations the number of PCD outputs (27) is less than the number of actions in the WINEP (46). This is because WINEP actions have an Action ID and an Action Component (a, b, c, d etc). There are 27 unique Action IDs, but 46 WINEP Action Components in total across this investment area.

The delivery profile within the PCD does not reflect the WINEP delivery profile, which is shown in the table below. Ofwat acknowledged this in development of the PCDs in the PCD Appendix stating that:

"For our final determinations we change the delivery date to 2029-2030 to allow for any potential delivery date changes or sign-off delays".

There are 27 WINEP investigations to be delivered to meet this PCD requirement, 17 of which are to be delivered in Year 3 (by December 2026), a further nine in Year 3 and one output in Year 5. Table 31 below shows the delivery profile.

Table 31

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Outputs by year	0	17	9	0	1	27
Cumulative outputs by year	0	17	26	26	27	27

All WINEP investigation outputs are on track for delivery to the timescales set out in the WINEP and by the PCD deadline of March 2030.

3.3.1.2 Interim milestones

There are no Interim Milestones for this PCD.

3.3.1.3 High profile schemes

Not applicable.

3.3.1.4 Track record of delivery

The AMP8 WINEP water investigations programme has commenced. Scopes of work have largely been agreed with local regulatory officers through Action Specification Forms (ASFs). In agreement with the regulators, some ASFs remain outstanding where further Environment Agency guidance was awaited (e.g. guidance of Environmental Destination investigations). These outstanding ASFs are expected to be finalised in the second six months of 2025.

Desk studies and monitoring plans have been prepared or are currently in preparation and have been shared with regulators, where required. River flow, groundwater level, water quality and ecological monitoring has also commenced. Local and national Environment Agency and Natural England officers are being kept informed of progress.

3.3.2 Raw water deterioration, taste, odour & colour (PCDW 14)

3.3.2.1 Reported position

Table 32

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Legal instruments met (Nr)	100%	Green

3.3.2.2 Interim milestones

The PCD contains multiple outputs, one of which is a lead strategy. We have included the lead schemes in the Interim Milestones for completeness but to avoid double counting, the lead replacement costs have been excluded from this line as they are accounted for in PCDW15 (DPW2.8- DPW2.10).

The nature of the gate process and Interim Milestones is conducive to a site-based capital scheme. The DWI undertakings and notices contain some site-based schemes whilst others are programmes of work such as the lead strategy. For these three schemes, a statement of need and commitment (IM1-IM4) to commence was provided prior to the start of Q1 2025-26 to enable delivery in Q1 2025-26. In this instance, construction work is continually started and completed throughout each year with takeover at the end of each job. IM5 has therefore been placed at the end of AMP8 where funding for delivery ends.

Zonal discoloration is included in the PCD with a regulatory date of 2031-32. The PCD for this element is funded through maintenance and will consist of mains rehabilitation projects prioritised throughout 2025-30. For the same reason Interim Milestones have not been requested for mains replacements, we have excluded schemes related to this output in table DPW3.

The data tables do not extend to Q1 2036-27 which is the IM6 for two schemes.

3.3.2.3 High profile schemes

Not applicable.

3.3.2.4 Track record of delivery

This PCD covers the following four areas all of which we have a good track record of delivery:

- **One Zonal discolouration notice** – Our new DWI discolouration notice supersedes our previous discolouration notice for the previous five-year period. We have a proven track record in reducing customer contacts about discolouration though out integrated strategy approach. There are three main elements to our strategy to reduce customer contacts about water quality. These are asset management (mains replacement), operational performance (mains conditioning and flushing), and customer relationship management. This approach has delivered a significant reduction in the number of consumer contacts over the last decade, with the three-year average from around 800 contacts per year to 600 contacts per year, and we have identified further improvements to achieve the performance required by the notice
- **One notice for nitrate treatment** – we have constructed three nitrate treatment plants in the past, the ion exchange technology is well understood and released this project to our delivery unit early to ensure that the scheme can be delivered by the date required in the notice
- **Four notices and one undertaking for PFAS** – although PFAS itself is new, the solutions required to meet the notices and undertaking can be described as business as usual. The three treatment schemes involve the installation of GAC which is a well understood technology that we installed at a number of sites in the past. Similarly, the catchment management notice is for activities we already undertaken for other raw water contaminants such as nitrate and pesticides
- **One undertaking for lead –** Our new AMP8 undertaking for lead replaces our previous undertaking for the previous five-year period and can be described as the continuation of a business-as-usual approach to managing the risk from lead. The specifics of our lead replacement plan is detailed separately in PCDW15.

3.3.3 Lead pipe replacement (PCDW15)

3.3.3.1 Reported position

Table 33

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Lead communication pipes replaced/relined (Nr)	100%	Green
Lead external supply pipes replaced/relined - Non-schools (Nr)	100%	Green
Lead external supply pipes replaced/relined – Schools (Nr)	100%	Green

We are on programme to complete the PCD activity levels for 2025-26 and for the five-year period. We reported all costs under capex in our business submissions. We will be splitting this out into enhancement opex throughout the AMP depending on the activity and will report appropriate in our annual performance report.

3.3.3.2 Interim milestones

Not applicable.

3.3.3.3 High profile schemes

Not applicable.

3.3.3.4 Track record of delivery

This PCD is a continuation of an existing business as usual activity which was covered by a bespoke PC at PR19. We have a strong track record of delivery for this activity, having met our PR19 bespoke PC target to replace 9,000 communication pipes in the previous five-year period.

3.3.4 Climate change uplift (PCDWW32)

3.3.4.1 Reported position

Table 34

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Spend on scheme as a % of allowance (%)	0%	Red

We did not ask for funding in our water supply PR24 submission for climate change uplift and we currently have no schemes identified that would meet the criteria.

This is different to our May unassured submission as an error was made with the inclusion of a scheme that has a resilience driver. However, as it does not meet the strict requirements of the climate change uplift funding, it has been removed from the PCD reporting.

The resilience funding provided is split between supply and waste. We have additional needs in waste and would encourage Ofwat to allow water companies to spend the total funding allocation between the price controls in the way they best judge to be most effective.

3.3.4.2 Interim milestones

As there are no schemes currently associated to this PCD, there are no Interim Milestones.

3.3.4.3 High profile schemes

Not applicable.

3.3.4.4 Track record of delivery

As there are no schemes currently associated to this PCD, there is no track record of delivery.

3.3.5 Metering (PCDW12)

3.3.5.1 Reported position

Table 35

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Metering: New installations (Nr)	100%	Green
Metering: Household meter upgrades (Nr)	100%	Amber

Metering: Non-household meter upgrades (Nr)	100%	Green
Metering: Meter Replacements (Nr)	100%	Amber
Metering: Connected meters (Nr)	100%	Green

We have seen a significant increase in customers opting to have a meter since the start of 2025 which far surpasses the forecast in our Business Plan. To support the planning of our smart metering rollout we have updated our estimate of meter optants for AMP8 and currently estimate this to be over 22,000 which is ~160% greater than projected in our Business Plan.

Whilst these new optional meters will be installed across the region, the rest of our rollout is planned to be on a street by street, DMA-by-DMA basis to ensure efficiency and to deliver the demand and leakage reductions where they are needed the most.

We have reprofiled our AMP8 rollout and reduced the size of the planned area based on the increased number of optants. If we were to continue with our street-by-street strategy for the whole of the AMP, we estimate that we would carry out ~7,000 additional new meter installations and therefore,~4,900 fewer HH upgrades and ~2,100 fewer NHH upgrades. This would result in a non-delivery penalty of ~£1m for not meeting our end of AMP PCD targets for upgrades and replacements (there is no outperformance payment for exceeding the new installs target). This is despite carrying out more new installs which are more costly to install and come with greater leakage and demand reduction benefits.

We are still forecasting to achieve all AMP8 delivery targets by adopting a flexible strategy. We plan to pivot from our street-by-street plan in year 5 and instead prioritise replacements/upgrades, using year 5 as a balancing year purely to meet the PCD targets. This will leave DMAs partially smart metered meaning we will need to return in AMP9 driving inefficiency. This approach also impacts customers as there will be inconsistent delivery and messaging in the areas that do not follow the street-by-street approach. The delivery profiles and penalties associated to the current structure of this metric perversely encourages inefficient delivery and poor customer service.

Expenditure includes both base and enhancement costs. Enhancement costs relate to new installations, while for household and non-household meter upgrades, meter replacements, and connected meters, we have applied a proportional split between base and enhancement costs that differentiates the marginal enhancement costs that relate to the smart element of the meter over that of a basic meter.

The total value of the revenue metering programme is £59.784 million, which we can confirm are correct, are in 2022-23 price base, and are post frontier shift adjusted, and aligns with the figure presented in our Statement of Case.

This total comprises £37.428 million for enhancement and £22.356 million for maintenance. Since the May submission we have reviewed our costs and delivery profile to ensure they align with the latest expectations and communications with our regulators. This now reflects the increase in optants, which means we will be carrying out a higher proportion of new installs (which are classified as 100% enhancement), compared to upgrades (which are split between enhancement and maintenance). This has then been reprofiled across the AMP.

We are therefore confident that the PCD output we've reported in DPW1 reflects our most up to date view of time delivery performance, and represents the most efficient delivery profile available at this stage.

3.3.5.2 Interim milestones

Not applicable.

3.3.5.3 High profile schemes

Not applicable.

3.3.5.4 Track record of delivery

All contracts are signed, and smart meter installation has begun. We have installed basic meters previously but have not undertaken meter changes and installations at this scale since the 1990's. We have a programme team working on this that have been established for around 18 months. Significant work has gone into the planning and design of this scheme. A dedicated installation team have been recruited and are fully trained.

3.3.6 Water demand savings (PCDW9)

3.3.6.1 Reported position

Table 36

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Water demand savings (benefit) (Ml/d)	100%	Green

Ofwat's PR24 FD included a PCD water demand savings. While the PCD is new, the work is a continuation of our AMP7 enhanced water efficiency scheme which included, our Home Check and non-household (NHH) water efficiency programmes. See Table 37 for the AMP8 PCD targets.

Table 37 - AMP8 cumulative savings and expenditure

Cumulative Water efficiency savings	25/26	26/27	27/28	28/29	29/30
Savings (Ml/d)	1.30	3.82	6.17	8.35	10.40
Expenditure (£m)	1.473	3.894	6.304	8.701	11.086

Integration with smart metering

Throughout the AMP, output will ramp up in line with our smart metering programme. A process is currently being developed that will enable the integration of the Home Check programme into the Smart journey.

Recruitment

To support the ramp up of activity we have recruited a new role, a Project Coordinator, to support the Customer Engagement Manager. The role will offer admin and data support, enabling us to utilise smart data to engage our highest users and maximise savings per visit.

Framework agreements

In April 2025 we completed a tender for our NHH programme awarding the contract to Groundwork, we also opted to roll our Home Check contract with Groundwork extending it by a further 2 years. This has allowed for a seamless transition into our AMP8 programme.

Strategy planning

During June 2025 we held a strategy meeting with the Groundwork team to discuss delivery of the programme. We had already recruited an additional two advisors to increase the number of Home Check visits and now anticipate recruiting an additional six plumbers in the autumn, in preparation for integration with the Smart journey. Outside of this we have scheduled monthly meetings in which we review KPIs and actions from the previous month to ensure work is being delivered on track.

Progress

As of the end of June we have delivered 0.20 Ml/d in savings, this puts us on track as we anticipate significantly increasing work in the Autumn as we integrate the Home check programme into the smart journey.

Innovation

Outside of our framework agreements we also plan on launching a NHH innovation fund in the autumn. The aim of the fund is to enable us to deliver NHH water efficiency outside of the scope of our main work and to facilitate collaboration with a range of third parties.

3.3.6.2 Interim milestones

Not applicable.

3.3.6.3 High profile schemes

Not applicable.

3.3.6.4 Track record of delivery

We launched our Home Check programme with Groundwork in April 2022, having previously delivered the programme throughout AMP6 with a different delivery partner. This was closely followed by the launch of our NHH water efficiency programme in July 2022. Both programmes involve retrofitting water efficient devices as well as finding and fixing leaks, with the Home Check programme also offering bespoke behaviour change advice. Table 38 shows the combined output from these programmes during AMP7.

Table 38 - AMP7 cumulative savings and expenditure

Cumulative water efficiency savings	2020-21	2021-22	2022-23	2023-24	2024-25
Savings (Ml/d)	0.00	0.00	1.12	1.89	2.56
Expenditure (£m)			0.454	0.841	1.236

While the PCD target requires a significant increase in activity over the AMP, we have previously delivered savings on par with our 2025-26 target in 2022-23.

3.3.7 Cyber security (PCDW17b)

3.3.7.1 Reported position

Table 39

PCD	Forecast delivery as a percentage of PCD output target (%)	RAG rating
Cyber: Legal instruments (Nr)	100%	Green

This programme has just started and follows on from the successful delivery of the cyber security programme in AMP7. The project team have rolled on from the previous delivery and are developing the scope and approach for the elements set out in the DWI Regulation 17 notice. Those required for delivery by the 31st of March 2028 are being prioritised initially. The design and development work to get this programme underway are being carried out in 2025-26 financial year, resulting in a lower expenditure than initially forecast. As we move into the implementation phases the cost profile will increase, with total cost forecasts remaining the same as our DDR. We are maintaining our target for all DWI Regulation 17 requirements to be completed by the 31st of March 2030.

3.3.7.2 Interim milestones

We plan to initiate five schemes this year.

3.3.7.3 High profile schemes

Not applicable.

3.3.7.4 Track record of delivery

The team that delivered the cyber security elements of the AMP7 Security Non-SEMD PC are continuing to deliver the requirements in AMP8. We have an established programme and have been planning for this delivery leading up to the completion of the cyber security deliverables in the AMP7 Security Non-SEMD.

3.3.8 SEMD (PCD17a)

Wessex Water was not provided funding at PR24 for SEMD and do not believe we have a PCD relevant to this. Therefore, we have not completed this in the table. However, Ofwat indicated that this is relevant to us. We do have an AMP7 carryover PCD for Security non SEMD but have not received a definition from Ofwat detailing where this should be reported.

3.3.9 Enhancement not linked to PCDs

3.3.9.1 Reported position

Not applicable.

3.3.9.2 Interim milestones

Not applicable.

3.3.9.3 High profile schemes

Not applicable.

3.3.9.4 Track record of delivery

The Operational Technology Security Improvement Programme delivered seven discrete projects over the AMP; these included: security incident and event monitoring, rogue device detection, and the migration from analogue PSTN technology following its retirement by Openreach.