AMP8 Price Control Deliverables – Delivery Plan Overview

This document provides a summary overview of our forecast Price Control Deliverables (PCD) delivery plan. Annually, an assured updated plan will be published, providing comprehensive updates including exposure of the key risks to delivery and the mitigations undertaken. Half yearly updates will be provided on progress and will set out material changes to forecast delivery. For full details of our delivery plan please view our AMP8 Delivery Plan Assurance document.

What are Price Control Deliverables?

PCDs are regulatory tools designed to ensure water companies meet specific improvement targets funded through enhancement expenditure allowances.

PCD were introduced by Ofwat as part of the PR24 determination as a mechanism to ensure specific large programmes of work are delivered as funded. The PCDs have enhanced regulatory oversight to protect against non-delivery and ensure timely completion. Should a company fail to deliver, or delivery is delayed, funding can be returned to customers.

Publication of our Plan

Our plan sets out in one place our PCD programme of works and individual projects. It sets out for each year over the 2025-30 period the proposed delivery timeframes, outputs, interim milestones, and expenditure as well as the framework and associated gateways and formal sign off for each project (this includes any variance from baseline expenditure or delivery and the reasons why). Risks will be identified within the plan as we progress through the period.

Half yearly progress reports will set out any material changes to forecasted delivery. An assured plan will be published annually in July each year. This process will provide transparency against delivery across the full 5 years and enable early identification of any delivery challenges or delays through the years.

The creation and monitoring of our delivery plan has adhered to the principles set out by Ofwat to ensure that clear, independently verifiable, and regularly updated progress is reported against our committed outcomes. The plan has been designed with a strong emphasis on early identification and mitigation of delivery risks.

Development, design, and completion of projects

The development and sign-off of the Delivery Plan is a multi-stage process that varies depending on the type of project (Bespoke or Traditional) and its complexity. The development and assurance of our Delivery Plan has undergone rigorous review involving detailed planning and is integral to the successful completion of our commitments.

We are committed to ensuring the accuracy and reliability of reporting on the project and programme delivery. To achieve this, we have implemented robust, independent third-party assurance processes, adhering to all regulatory reporting requirements.

External assurance

Our Delivery Plan Assurance documentation has been externally assured by AtkinsRealis (Aug 2025) with the following conclusions:

'Based upon our assurance activities and information reviewed we confirm that:

- *We have been given free access to relevant staff and information on request, including unrestricted access to all systems, files and documents that we requested once they became available for review.*
- *The processes, procedures and assumptions are robust, consistent with guidance, uncertainties have been declared and risks understood.*
- *Our professional opinion and feedback have been appropriately considered.*

Based upon our assurance activities and review of the information we have been provided, we conclude that the PR24 Delivery Plan submission satisfies the requirements set out in Ofwat's guidance. We confirm that:

- *it covers all enhancement schemes and areas of expenditure covered by PCDs;*
- *the Company has identified all PCDs for which interim milestones may be required;*
- *the Company has a Delivery Plan in place in the PCD areas where interim milestones have been identified;*
- *interim milestones identified by the Company are consistent with such plan;*
- *there are no movements of over one quarter in scheme target completion dates compared to original business plan; and*
- *scheme target completion dates in the delivery plan meet statutory and regulatory obligations*

There were no issues of concern with the Delivery Plan. Overall, we have found that the approach taken by the Company is reasonable.'

PCD programme of works

We have a programme of works covering 37 PCDs with an expenditure of over £600m. Our top three material PCDs are: Metering, Water Industry National Environment Programme (WINEP) and Mains Renewals.

A summary is provided below outlining the outputs of our PCDs. For details of expenditure and forecast delivery please see the full report.

Trunk Main and Distribution Main Renewals
Renewal of 244.4km distribution main and 15.9km of trunk mains. This will support our mains network and reducing bursts. It will also support compliance with commitments related to supply interruptions and the water quality Compliance Risk Index (CRI).

Growth - Network Reinforcement

Installation of necessary network reinforcements by 2029-30 in identified growth areas. Ensuring adequate supply for new customers without affecting the service provided to existing customers.

River Restoration & Catchment Management

This project defines landscape-scale programmes of Catchment and Nature-Based Solutions (C&NBS) for the Colne, Upper Lea, Dour, Little Stour, Ivel and Cam catchments as well as a Flagship CaBA Chalk Stream Restoration programme for the River Beane.

Water WINEP/NEP Investigations

The Water Resource Investigation Programme includes projects listed within the AMP8 Water Industry National Environmental Programme (WINEP) Water Resource (WR) 55 Investigations. These are regulatory requirements with statutory drivers. The WINEP investigations are studies that aim to confirm and quantify likely environmental impacts resulting from our public water supply abstractions and the most cost beneficial mitigation measures.

Surface Works

Our Surface Works programme relates to the installation of additional treatment at sites to address water quality risks. This is supported by the Drinking Water Inspectorate (DWI).

PFAS (per and poly fluoroalkyl substances)

Treatment and catchment management investigations at five of our sites that are assessed as high risk for Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) compounds in their source waters and is driven by DWI improvement notices. The PCD outputs for all PFAS schemes are to meet DWI Legal Instruments requirements.

Nitrates

To maintain supply and resilience, ion-exchange treatment will be implemented at Kingsdown and Broome WTWs, to address rising nitrate concentrations along with the installation of a new trunk main and additional boosters to enhance resilience in the Stortford area.

Flood Alleviation

We will deliver schemes to improve our resilience against, and management of the significant risks and challenges climate change poses to our assets. The outputs of this investment plan include physical mitigation works at individual production site and within our distribution network to manage supply challenges caused by flooding and power disruption.

Smart Metering

Smart metering installations to reduce leakage and demand for both household and non-household properties. There are 4 PCDs linked to meter installations, New AMI installations, upgrades to existing meters in household and non-household properties, replacement of like for like meters. Additionally, there is one PCD linked to meter connectivity and data completeness.

Connect 2050

The Connect 2050 programme of works are strategic initiatives designed to ensure the long-term resilience of the water supply network in the face of evolving challenges. It assesses existing infrastructure and proposes necessary enhancements over the next 25 years, such as incorporating new water sources from Strategic Regional Options, accommodating population growth, and managing the impact of sustainability reductions on water transfers between high demand areas. This programme will also contribute to the Water Available For Use (WAFU) PCD.

Connect 2050 - WINEP WFD Sustainability Reductions

The outputs fall into two categories for Sustainability Reductions:

- Interconnectors Schemes – measured in Km and transfer capacity (of trunk main delivered)
- Location Specific Sustainability Reductions – measured in Actions (this comprises a total of 37 actions relating to the achievement of the required reduction in abstraction at either an individual site or for an abstraction area)

Connect 2050- Non-SRO (Supply Side Benefits)

The Cockfosters and Perivale connection is required for HS2 purposes (to meet HS2 water demand).

Connect 2050 – WRMP

To deliver on the transfer of 20 Ml/day from Egham to Harefield including the booster pumping station upgrade. This work will also contribute to our WAFU PCD.

Connect 2050 – Resilience

To deliver 20 Ml of additional Storage at two sites. Both are to be completed by the end of the 2029/2030 financial year.

Demand Management

Empowering customers to reduce their water consumption, by understanding usage, will help protect precious resources and create a sustainable future. We have a commitment to reduce Per Capita Consumption (PCC) by 13% and business water demand by 11% (from a 2019/20 baseline). This will also support the specific PCD of achieving 23.72 Ml/d of savings across the 2025-2030 period.

Cyber Security

To deliver the required enhancements to ensure we comply with the requirements of the Network and Information Systems Regulations 2018 (NIS-R). This is measured through compliance with the Cyber Assessment Framework (CAF).

Emergency Planning

New tankers, additional bottled water storage facilities alongside power and communications resilience measures, once delivered will ensure that Affinity Water remain compliant with the legislation set out in SEMD 2022.

Physical Security

The programme will deliver new physical improvements at two newly designated CNI sites, ensuring full compliance with statutory obligations under Security and Emergency Measures Direction (SEMD, 2022).