

Board Assurance Statement: Revised Draft WRMP 2025- 2050

Addendum

Anglian Water

August 2023

Board Assurance Statement addendum for revised draft WRMP24

1. Executive summary

This Board Assurance Statement addendum is in relation to the revised draft Water Resources Management Plan 2024 (“revised draft WRMP24”) produced by Anglian Water Services Limited (the “Company”) for the period 2025 to 2050.

We, the Directors of the Company (“the Board”), are assuring the differences between the draft WRMP24 and the revised draft WRMP24. In doing so, we confirm that we are satisfied that the Company’s revised draft WRMP24 for the period 2025 to 2050:

- meets its obligations set out in the revised Water Resources Planning Guideline (WRPG)¹.
- reflects the Regional Plans for Water Resources East (WRE) and Water Resources North (WReN), which have been developed following the National Framework and relevant guidance and policy. Where there are any differences, the Company has ensured we have provided clear justification for this.
- is a best value plan for managing and developing water resources so the Company can continue to meet its obligations to supply water and protect the environment, whilst looking to provide societal benefit. We are confident that the plan is based on sound and robust evidence, including cost information, and encompasses relevant Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA) findings.

We have considered and are relying on the evidence and recommendations presented by the main external assurance provider, Jacobs, who has significant technical expertise in its field, and internal assurance from subject matter experts within the Company who have also conducted assurance, as specialists in their field.

2. Assuring the differences between the draft WRMP24 and the revised draft WRMP24

As members of the Board, we have participated extensively in the development of the company’s revised draft WRMP24, with different elements being discussed at meetings of the AWS Board and the AWS Management Board (the Company’s Executive Committee) held between November 2022 and July 2023.

Date	Board	WRMP related item
23 rd November 2022	AWS Board	PR24 investments and long-term framing
15 th December 2022	Management Board	WRMP24 strategic choices
2 nd February 2023	Management Board	WRMP24 strategic choices as part of LTDS
22 nd March 2023	AWS Board	WRMP24 Best Value Plan
26 th May 2023	Management Board	WRMP24 best value plan as part of the LTDS
19 th /20 th July 2023	AWS Board	Best value plan and Board Assurance Statement

¹ Revision 12- April 2023: <https://www.gov.uk/government/publications/water-resources-planning-guideline/water-resources-planning-guideline>

3. Meeting our Obligations when developing the plan

We are confident that the Company continues to meet its obligations from the draft WRMP24 and fulfils its new and/or revised legal and technical obligations, as set out in the revised WRPG (April 2023- Revision 12), when developing the revised draft WRMP24. These obligations are set out in detail in Appendix 1, including where the Company has demonstrated that it has met those obligations and the assurance providers who have reviewed them. The Board has taken this information into account when signing this statement. The new and/or revised obligations include, but are not limited to:

- if the Company determines that it cannot fully deliver 110 litres per person per day by 2050, it must provide clear evidence and justification to customers and stakeholders through its plan, explaining why it is not possible.
- the Company's Statement of Response must clearly set out any schemes being accelerated through transitional funding in AMP7, setting out primary benefits to supply demand balance, as well as additional benefits (including resilience and multi benefits) this acceleration will have.
- Where the Company's abstractions interact with European designated sites, it must ensure that its plan meets requirements for protected areas.

The Company's Subject Matter Experts have also reviewed the Company's obligations for its draft WRMP24 and confirmed they are still fulfilled for its revised draft WRMP24.

4. Regional planning

The Regional Plans for Water Resources East (WRE) and Water Resources North (WReN) have been produced in an iterative process alongside the Company's revised draft WRMP24.

WRE, using its decision-making framework, has determined the need for the Company's strategic regional options- Fens and Lincolnshire reservoirs. These options have been tested independently as part of the Company's WRMP24 modelling and decision-making processes, and are selected as preferred options.

The WRE decision-process has also, alongside the Company's plan making, determined the sizing requirement of the strategic regional options.

Our Hartlepool Water Resource Zone is part of the regional group WReN. This zone has no deficits nor a significant surplus, so whilst the Company is part of WReN's decision making and strategy, there are no supply-side strategic elements to implement from this Regional Plan. The Company will be undertaking demand management which is an important element of the WReN Regional Plan.

5. A Best Value Plan

The Board is satisfied that the revised draft WRMP24 is a best value plan as it achieves an optimal balance between a set of outcomes that will provide an overall benefit to customers, wider society and the environment. The Board also believes that the Company's revised draft WRMP24 is affordable and efficient in the context of its wider Price Review 2024 (PR24).

We, the members of the Board, are confident that the Company has used the latest growth and abstraction licence data for its decision making for WRMP24.

The Board has also reviewed the revised demand management strategy, with notable amendments since the draft WRMP24 including, but not limited, to:

- Increased leakage ambition over 25 years, achieved by 8,000km of mains replacement by 2050. This increase from 24% to 38% (from a 2017/18 baseline) reflects our consultees' and customers' expectations and shows our commitment to demand management, noting that this will be subject to affordability considerations at future price reviews.
- The addition of non-household demand savings. These initiatives will target 10 MI/d savings each AMP, a relative saving of 9% by 2038 and over 15% by 2050.
- The Company's industry leading smart meter roll out concluding by 2030.
- Achieving a Per Capita Consumption of less than 110 l/h/d by 2050, meeting the National Framework target.
- The inclusion of forecasted non-household demand from the South Humber Bank net zero cluster, in line with the Environment Agency's representation to the Company's draft WRMP24.
- Enhanced monitoring of the demand management strategy, so the Company can act in a timely manner if the forecasted savings are not forthcoming.

The Board has also reviewed the supply-side strategy for the revised draft WRMP24. This strategy has evolved, following on from consultation responses and scrutiny of affordability of the plan at Board level. These changes include:

- The addition of new supply-side options, namely the relocation of Marham surface water abstraction and the optimisation of resources across our region, either through new treatment processes or backwash water recovery². These options have been developed since the draft WRMP24 was published.
- The inclusion of a desalination plant to satisfy the increasing demands of the South Humber Bank industrial cluster relating to net zero (funding arrangements to be confirmed), and the relocation of an existing groundwater source in our Suffolk West and Cambridgeshire Water Resource Zone.
- The Fens and Lincolnshire reservoirs' need and sizing being confirmed in Water Resources East's Regional Plan, and selected independently (unconstrained by the regional model output) by the Company's modelling. The reservoirs' selection in the revised draft WRMP24 has been subject to extensive sensitivity and scenario testing, further demonstrating their inclusion as low regret options. The reservoir locations have also been included in the revised draft WRMP24.

We are in discussions with Government and regulators regarding how we can create additional capacity for non-household growth. This reflects the need for water for net zero as well as the increased non-household demand we have seen over the last year in our region.

6. Additional revised draft WRMP24 assurance requirements

As part of the consultation for draft WRMP24 consultation, specific elements of assurance have been requested. Having scrutinised the revised draft WRMP24, the Board confirms that:

- The costs for the Fens and Lincolnshire reservoirs used in the modelling for the revised draft WRMP24 are the latest costs.

² The process of collecting waste process water from the water treatment process, settling it and then decanting the process water back to the inlet of the treatment process.

- The Board will be providing assurance for the company's PR24 Business Plan and Long Term Delivery Strategy on 2 October 2023 in which it will include its statement on deliverability. The Board has challenged and satisfied itself that the WRMP and the expenditure proposals within them are deliverable in the context of the wider PR24 business plan proposals on the basis of the WRMP24 and PR24 Business Plan being approved as submitted.

The Company is putting in place key mitigation strategies to ensure deliverability:

- Optimise the plan – we have worked with the Environment Agency to align investments and obligation dates.
- Strengthening internal capabilities and creating delivery partner expertise.
- Increasing level of review and scrutiny and management of risks.
- Set up new agreements/partnerships/alliances.
- Review our governance and management structure to ensure it supports efficient decision making.
- Deliver digital transformation and continue to invest in our people.
- Enhance supply chain resilience through early engagement, provide visibility and leverage capabilities.

The Board are aware that the costings for the revised draft WRMP24 use 2022/23 prices deflated to 2021/22, in line with Water Resources Planning Guidelines.

7. Assurance

The Board places reliance on internal and external assurance that has been undertaken on the revised draft WRMP24. The Company has engaged third party assurers that have a breadth of experience and knowledge, enabling them to provide independent assurance to the draft WRMP24. This has ensured its data, processes and analyses have been challenged and any areas for improvement identified.

Signed by the Board of Anglian Water Services Ltd on 19th/20th July 2023.



John Hirst

Independent Chairman



Natalie Ceeney

Independent Non-Executive Director



Polly Courtice

Independent Non-Executive Director



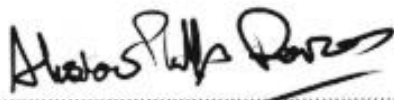
Zarin Patel

Independent Non-Executive Director



Colin Matthews

Independent Non-Executive Director



Alistair Phillips-Davies

Independent Non-Executive Director



Alex Nassuphis

Non-Executive Director



John Barry

Non-Executive Director



Batiste Ogier

Non-Executive Director




Deepu Chintamaneni

Non-Executive Directors



Peter Simpson

Executive Director



Steve Buck

Executive Director

Appendix One

Our new obligations from the most recent Water Resource Planning Guideline (WRPG-rev12 March 2023) are listed in Table 1 below, as well as where compliance has been demonstrated.

Table 1- new obligations from WRPG-rev12

Guidance	Obligation	Where demonstrated	Assurer
WRPG-rev12	The Company's Statement of Response must clearly set out any schemes being accelerated through transitional funding in AMP7, setting out primary benefits to supply demand balance, as well as additional benefits (including resilience and multi benefits) this acceleration will have.	Draft WRMP24 Statement of Response Revised draft Demand forecast technical supporting document Revised draft Demand management preferred plan technical supporting document Revised draft Supply-side option development technical supporting document	Geoff Darch (AWS)
WRPG-rev12	Where the Company's abstractions interact with European sites, it must ensure that its plan meets requirements for protected areas.	Revised draft WRMP24 HRA Sub-report	Geoff Darch (AWS) AWS Legal Team
WRPG-rev12	The Company's plan must meet requirements for European site protected areas as soon as practicable, with the Environment Agency's guidance for PR24 explaining what water companies should do to establish the need for and timing of action.	Revised draft WRMP24 Supply forecast technical supporting document Revised draft WRMP24 Sustainable abstraction and environment technical supporting document	Geoff Darch (AWS) AWS Legal Team
WRPG-rev12	The Company's plan must deliver actions required to achieve environmental objectives as defined in Regulation 13 of the Water Framework Direction (WFD) Regulations and to the timescales set out in the WFD Regulations unless one or more	Revised draft WRMP24 Main report	Geoff Darch (AWS) AWS Legal Team

Guidance	Obligation	Where demonstrated	Assurer
	of the exemptions are applicable. If the statutory environmental objectives in the River Basin Management Plans (RBMPs) cannot be met, the regional plans (where applicable) and WRMPs should justify why the solution at a licence level cannot be delivered by the required deadline. If a delay can be justified, delivery of the solution should be planned for the earliest feasible and affordable delivery date.	Revised draft WRMP24 Decision Making technical supporting document Revised draft WRMP24 WFD Sub-report	
WRPG- rev12	The Company's must assess all its current and future predicted abstractions to ensure they comply with and are consistent with the achievement of WFD Regulations requirements and the environmental objectives set out in the RBMPs. This includes European site protected area objectives.	Ongoing abstraction compliance Annual Abstraction Return Revised draft WRMP24 WFD Sub-report (future)	Geoff Darch (AWS) AWS Legal Team
WRPG- rev12	The Company must also consider any other environmental obligations, including obligations towards SSSIs covered by the Wildlife and Countryside Act 1981, sites designated under the Conservation of Habitats and Species Regulations 2017 duties under section 40 Natural Environment and Rural Communities Act 2006 and section 3 and 4 Water Industry Act 1991 and any international agreements.	Revised draft SEA Revised draft HRA Sub-report	Geoff Darch (AWS) AWS Legal Team
WRPG- rev12	The Company must ensure that abstraction reductions are not double counted when licence changes to prevent deterioration are combined with environmental destination scenarios and detail on assurance and engagement on near term risk of licence changes must be provided in its plan.	Revised draft WRMP24 Supply forecast technical supporting document	Geoff Darch (AWS)
WRPG- rev12	The Company must take account of current statutory and regulatory requirements for abstraction and should plan to deliver environmental improvements to meet future needs.	Revised draft WRMP24 Supply forecast technical supporting document Revised draft WRMP24 Sustainable abstraction and environment technical supporting document	Geoff Darch (AWS) AWS Legal Team

An update is also given on the obligations (WRPG-rev10 December 2021) that were unable to be fulfilled at the time of the draft WRMP24³. This update is shown in Table 2 below.

Table 2- Update on WRPG-rev10 obligations

Guidance	Obligation	Where demonstrated	Assurer
WRPG-rev10	The Company must send its draft plan to the Ministers as required.	Not requested.	Geoff Darch ⁴
WRPG-rev10	If the Company area is wholly or mainly in England, the Company must send its draft plan, statement of response to its consultation and final plan to the Secretary of State.	This will be assured for final WRMP24. Our revised draft WRMP24 and Statement of Response will be submitted to the Secretary of State.	
WRPG-rev10	When the Company submits its draft plan to the Secretary of State for agreement to publish it for consultation, it must submit a statement from its security manager.	A Statement of Compliance by the Company's Security Manager was submitted to the Secretary of State. This will be updated for revised draft WRMP24.	Geoff Darch
WRPG-rev10	The Company's security statement must certify that the plan has been reviewed and that it does not contain any information that would compromise national security interests.	Statement of Compliance	Geoff Darch
WRPG-rev10	The Company must highlight the information it proposes to redact or edit out in the published version, so that the Secretary of State may confirm whether it can be removed on grounds of national security.	No information was redacted or edited out of the published versions. This will be maintained for revised draft WRMP24.	Geoff Darch
WRPG-rev10	In this statement the Company must also say whether the plan contains any information that may be commercially confidential. If the Company believes a draft plan should not be published because it contains commercially sensitive information, it should inform the Secretary of State as soon as possible.	No commercially confidential information was included in the draft WRMP24 reports. This will	Geoff Darch

³ Fulfilled obligations were included in the draft WRMP24 Board Assurance Statement

⁴ Head of Supply Demand Strategy, Anglian Water Services

Guidance	Obligation	Where demonstrated	Assurer
		be maintained for revised draft WRMP24.	
WRPG- rev10	The Company must wait to hear from the Secretary of State before publishing its draft plan for consultation.	The Company waited for approval from the Secretary of State before publishing its draft plan for consultation.	Geoff Darch
WRPG- rev10	Once the Company has been instructed to publish, it must adhere to Water Industry Act 1991, the 2007 regulations and directions with regards to the consultation and making draft plans available.	The Company adhered to legislation when publishing the draft WRMP24.	Geoff Darch
WRPG- rev10	The Company must share its draft plan with all consultees listed in the 2007 regulations.	The Company adhered to legislation when sharing the draft WRMP24 with consultees.	Geoff Darch
WRPG- rev10	The Company must also publish a statement with the draft plan that specifies whether it has left out any commercially confidential information; and tells people how they can make representations on the draft plan to the Secretary of State before the end of the consultation period	The Company published a statement on its website detailing that all documents had been checked to ensure they do not contain any information that is commercially sensitive. The website and draft WRMP24 also detailed how representations on the draft plan should be made.	Geoff Darch
WRPG- rev10	The Company must state in its consultation that all responses should be sent to the Secretary of State if you are in England using the following email or postal addresses: Defra Water Resources Management Plan Water Services Department for Environment, Food and Rural Affairs Seacole 3rd Floor	This was stated in the consultation document, the Main Report and the Non-Technical Executive Summary.	Geoff Darch

Guidance	Obligation	Where demonstrated	Assurer
	2 Marsham Street London, SW1P 4DF Email: water.resources@defra.gov.uk		
WRPG- rev10	The Company must publish a statement of response after completing the public consultation. It must publish this within 26 weeks of publishing its draft plan for consultation (unless specified differently in any new ministerial direction) ⁵ .	AWS website	Geoff Darch
WRPG- rev10	The Company's statement of response must: <ul style="list-style-type: none"> • show that it has considered the representations it has received; • set out the changes it has made to the draft plan as a result of the representations and its reasons for making them – either set as amended text or in a revised draft plan; • say if it has not made changes as a result of representations and explain why; and describe anything that has changed during the consultation period, for example, the conclusion of any projects it had undertaken or external influences such as new sustainability changes.	Draft WRMP24 Statement of Response Full suite of revised draft WRMP24 documents, including the Strategic Environmental Assessment	Geoff Darch
WRPG- rev10	The Company must publish the statement of response in line with the Water Industry Act 1991, the 2007 regulations and the directions. This must be completed within the set timescales issued or it may face enforcement action.	Published on 29 th August 2023, consistent with the extension granted by Defra.	Geoff Darch
WRPG- rev10	The Company must inform everyone who responded to its draft plan that it has published it.	Email sent out to respondents on 29 th August 2023.	Geoff Darch
WRPG- rev10	The Company must publish the statement of response in line with the Water Industry Act 1991, the 2007 regulations and the directions. This must be completed within the set timescales issued or it may face enforcement action.	Statement of Response published on 29 th August in line with the Water Act 1991, 2007 regulations and the directions.	Geoff Darch

⁵ Extension from Defra granted for publication of Statement of Response and submission of revised draft WRMP24 to 29th August 2023

Guidance	Obligation	Where demonstrated	Assurer
WRPG- rev10	The Company must inform everyone who responded to its draft plan that it has published it.	To be assured as part of final WRMP24.	
WRPG- rev10	Once completed, the Company must send its statement of response to the Secretary of State. If it has a revised draft WRMP or has been requested to provide further information, it should provide it alongside its statement of response.	To be assured as part of final WRMP24.	
WRPG- rev10	The Company must notify the Secretary of State of any further information that may be commercially confidential, or which has been, or it considers should be, removed for reasons of national security.	To be assured as part of final WRMP24.	
WRPG- rev10	The Company must not publish its final plan until it has received permission from the Secretary of State. Before publishing its final plan it must: <ul style="list-style-type: none"> • follow any directions from the Secretary of State; and undertake a final check of its plan to ensure it is ready to publish.	To be assured as part of final WRMP24.	
WRPG- rev10	The Company must publish the final plan as set out in the Water Industry Act 1991 and the 2007 regulations and directions. This must be completed within the set timescales issued or it may face enforcement action.	To be assured as part of final WRMP24.	
Directions	A water undertaker must send a draft of its water resources management plan to the Secretary of State on or before 3 rd October 2022.	Draft WRMP24 sent to the Secretary of State on 3 rd October 2022.	Geoff Darch
Directions	Except where the Secretary of State otherwise permits, a water undertaker must publish its draft water resources management plan in accordance with section 37B(3)(a) for consultation within 30 days beginning with the date on which the Secretary of State confirms it should do so.	Draft WRMP24 published on 21 st December 2022, following notification from Defra on 21 st December 2022.	Geoff Darch