



28 November 2023



Introduction



Welcome to our second 'Your water, your say' session.

We're here today to:

- See what you think about our business plan for 2025-30
- Share some of the unique challenges our region faces, and how our plan helps address them

- Explain how our customers and communities have helped to shape what we want to do
- Go through what we're planning to invest in, in a bit more detail
- Talk about what this means for bills, and how we'll support all customers at risk of water poverty

The team here today



Peter Simpson

Chief Executive



Darren Rice

Director of
Regulation



Susannah Clements

Director of People
and Change



Pete Holland

Director of
Customer and
Wholesale
Services



Dr Robin Price

Director of Quality
and Environment

Our plan at a glance

This is a plan designed to enable Eastern England to thrive and prosper

Our 25-year Strategic Direction Statement



By 2030, excluding inflation, average bills will cost **£1.57** per day, a rise of **21p** per day **and we will...**



Have delivered a £9bn plan

focused on the things that customers have repeatedly told us matter most – world-class, safe, clean drinking water, protecting the environment and helping the most vulnerable customers.

Achieve a 70% reduction

in the amount of carbon we produce when delivering our projects, against our 2010 baseline.



Support all customers at risk of water poverty

(customers spending more than 5% of their household income on water bills)



Reduce pollutions and spills by increasing our waste water network by 112

Olympic-sized swimming pools.

Invest £476m

to accommodate housing growth, with 700,000 more people expected to live here in the next 20 years.



Plan for two new reservoirs

to build further drought resilience and environmental protection.



Renew 695km

of vulnerable pipes to futureproof our water mains and sewers against climate impacts.

Double our investment

in the environment to £4bn to enable nature recovery.



Support our customers to use less water, down to around 124 litres per person per day.



Use nature-based solutions to create an area the size of **100 football pitches** of treatment wetlands, along with **52** new sustainable urban drainage systems.

We'll do our bit by reducing our already sector-leading leakage levels by a further **8%** to new industry-leading lows.

Launch a new Medical Needs Discount.

an industry-first, providing financial aid to those with specific medical needs at zero extra cost to any customer.

Our unique region



The challenges we face in Eastern England

Anglian Water is the largest water recycling company in England and Wales by geographic area.

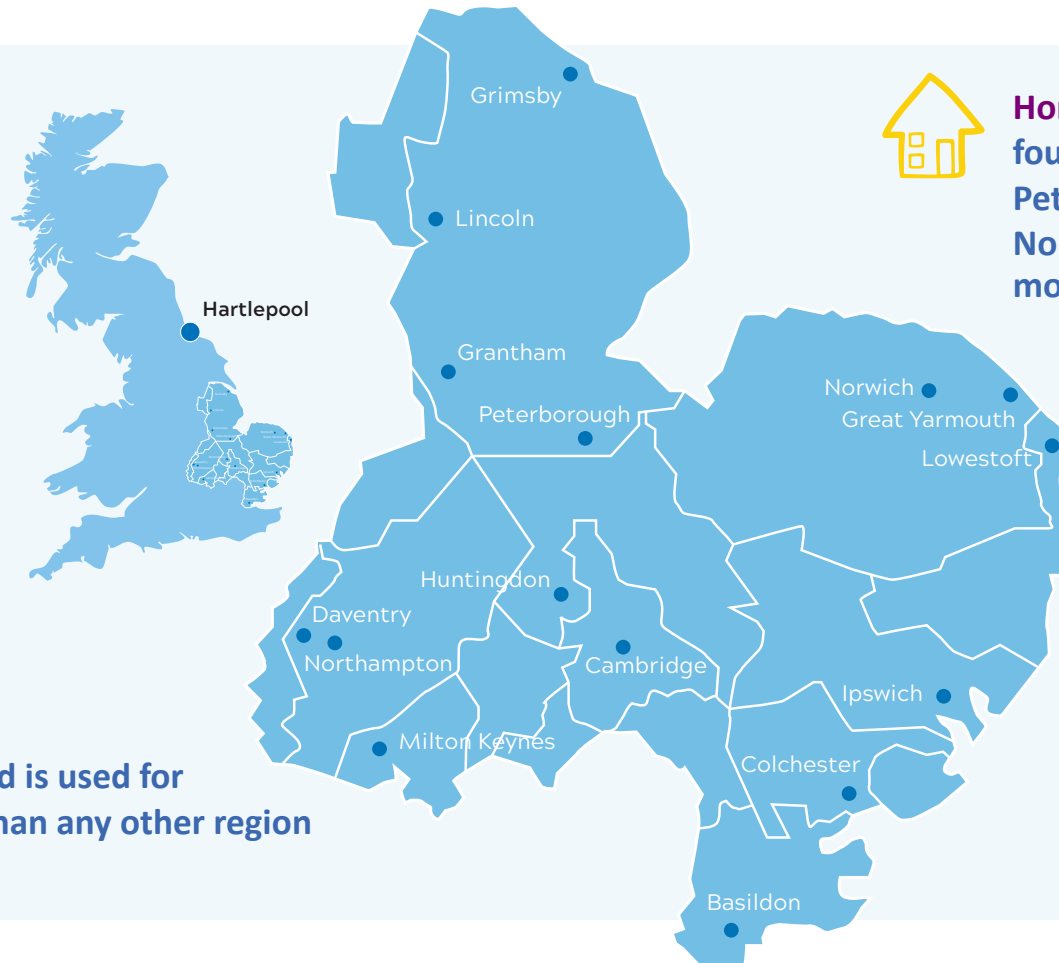


14 diverse counties in our region, all with differing environmental, social and economic needs

Lowest rainfall at 2.14mm per day, versus the national average of 2.85mm



75% of land in the East of England is used for agriculture, higher than any other region



Home to 15% of England's population and four of the fast-growing cities Cambridge, Peterborough, Milton Keynes and Northampton mean that by 2043, 700,000 more people will live here



28% of land is below sea level, putting us at risk of flooding whilst hotter than average temperatures make us prone to drought

Businesses in the East are particularly water intensive, e.g. food processing

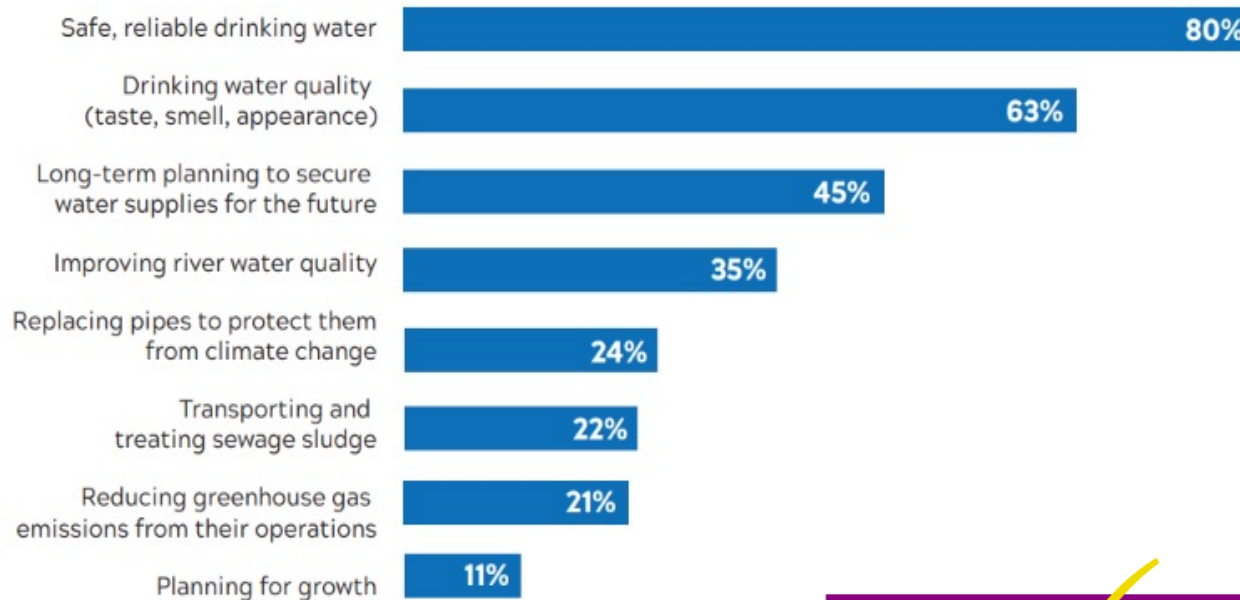


Understanding your priorities



What's important to our customers

Figure 1: Ranking of customer priorities for capital investment (customer survey 2022/23)



Constantly engaging with our customers

1 million direct customer contacts a year	387 customer panels	100,000 responses to our customer feedback surveys
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Over the past two years, we carried out almost 35,000 in-depth engagements with our household customers and over 2,500 engagements with our non-household customers, specifically on our AMP8 plans.



73% of customers surveyed accepted our plan

You said, we did



Environment

What our customers said



- How will you maximise nature-based solutions?
- How will you proactively help your customers be more resilient?
- What's your plan? How much will it cost? Why haven't you been investing previously?
- How will you dispose of sewage safely?

Our plan responds with

- 26 new wetland projects with 52 new sustainable urban drainage schemes, replacing the need for concrete, power hungry grey solutions with sustainable nature-based solutions.
- 695km of climate vulnerable pipes renewed. Smart meters will help customers manage usage, and our focus on driving down leakage will continue.
- Smart sewer monitoring, predictive analytics and partnership working will start to drive down avoidable blockages. Addressing the narrow watercourse problem. See our PIRP.
- We already dispose of sewage safely and are investing another £476m to accommodate growth.

Happy customers and communities

What our customers said



- How does the company view vulnerability evolving over 15 years?
- What's the eligibility for payment support?
- What is happening on an industry social tariff?
- How much financial support is going to be provided to customers, and how much support would be funded by shareholder profits?

Our plan responds with

- Experian data indicates that customers in water poverty is set to increase from 275,000 to 306,000.
- By 2030 we will have the capacity to support all customers at risk of water poverty and proposals are in place to provide direct financial support to 280,000 households predicted to be at risk. We'll also double the cross subsidy available to support customers through our social tariff and our owners will fund a new Medical Needs Discount for eligible customers, without any bill increase to customers.
- Our plan will also see us create 7,000 jobs across the region, helping create more prosperity.

You said, we did



Future customers

What our customers said



- How does the company engage younger people and future generations?

Our plan responds with

- Using a multi-channel approach, we engage younger people through targeted social media, along with email, customer forums, surveys and much more. We even have focus groups with three generations of families.

Safe, clean, reliable drinking water

What our customers said



- Why do reservoirs take so long to establish? Will they provide sufficient capacity for future?
- How do you prioritise dealing with all the challenges faced by the sector, including the risks associated with lead?

Our plan responds with

- Reservoirs are huge infrastructure projects. They take a long time to construct and particularly to get through planning and environmental applications. They also take a long time to fill once built.
- The two new reservoirs alone, won't provide sufficient capacity. We're extending our strategic interconnector pipeline, installing more smart meters and driving leakage down too.
- Safe clean water is customers' number one priority. Investment here means our drinking water will continue to be amongst the best in the world. We'll reduce risk from chemicals like nitrates, lead and PFAS (forever chemicals). We're investing £19m to reduce the exposure of customers to lead in areas at high risk and continuing with our long-term replacement programme.

What our plan will deliver

In response to the challenges and customer priorities



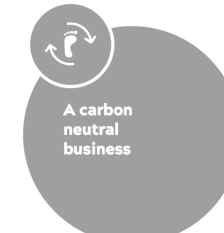
£2.1bn



£785m



£1.1bn



£352m

Our proposed investment for 2025-2030

Building resilience is vital – that’s why we’re planning to invest £2.1bn in this AMP alone which will cover:

- Drinking water continuing to be amongst the best in the world
- Much needed supply brought to the water stressed areas of our region
- Preparation for two new reservoirs
- Water and sewer mains coping better with the effects of climate change
- Reducing spills even more, and harnessing nature-based solutions

We are a growing region so, by the early 2040s, we expect over 700,000 to be living here. That’s why a good chunk of our investment centres around:

- Getting all the new homes, businesses, schools and hospitals connected to our network
- Smart meter roll out completion, helping customers control use and manage bills
- Driving leakage down even further
- Improving coastline and inland bathing water health, protecting habitats and attracting tourism

It’s vital we invest now to mitigate the risk of increased pollution. So, by investing over a billion pounds we’ll see:

- Nutrient levels entering our rivers reduced by up to 25%
- Abstraction reduced even further
- A visible difference in river health through Get River Positive
- 26 more wetlands
- A partnership centre of excellence to join up funding

Becoming net zero carbon by 2030 – as part of our strategic goal to be carbon neutral by 2050 – remains one of our core commitments. This includes:

- Reducing process emissions
- Adopting lower carbon concrete solutions
- Moving our fleet towards electric vehicles, including HGVs
- Maximising the value of bioresources by investing almost £200m in a circular economy

Double our investment in the environment to **£4bn** to enable nature recovery

£5.2bn Maintaining and running our operations

Keeping bills affordable and acceptable



Efficient business = lower bills

- £990 million cost removed from our plan
- Rise of 15.1% during AMP8 – one of the **lowest in the industry** from £496 in 24/25 to £571 in 2030

Of customers surveyed...

42% of customers highlighted affordability is a concern

73% of customers accepted our plan

Delivering our plan

Our plan is almost double that of AMP7

- Supply chain and alliance **partners on board**
- **85% of work** already under a form of agreement
- **New 'net zero'** training facility
- **7,000 new jobs**

Supporting customers when they need it most

By 2030 we will support **all customers** at risk of water poverty including a **50% discount for 230,000**

- Our owners will fund a new **Medical Needs Discount**
- Data sharing with local authorities and other services to **support vulnerability** even further
- Expand our Extra Care service to more than **650,000** customers
- **Doubling** the cross subsidy (£12 to £24) available to support customers through our social tariff
- Smart meter rollout complete, helping customers **lower bills** by saving water
- Expand our Extra Care service to more than **650,000** customers
- **7,000** new jobs across the region



Your questions



What happens next



Following the session, we'll send out a written record of everyone's questions and our answers. We'll share a link to an Ofwat post-event survey too.

In May/June 2024, Ofwat will publish its view on our plans in draft, so that everyone has the opportunity to comment

Ofwat will be holding its own 'Your water, your say' sessions on its draft decisions for customers

In December 2024, Ofwat will make its final decisions on our plan, and by April 2025 we'll be on our way to delivering it



'Your water, your say' Ofwat survey



**Scan the QR code and
let Ofwat know what
you thought**