

Section 1: Guide to our business plan for 2025 to 2030

A.	Introduction	2
B.	Main business plan document	3
C.	Long-term delivery strategy	4
D.	Enhancement cases	4
E.	Cost adjustment claims	5
F.	Technical appendices and other supporting documents	6



1. Guide to our business plan for 2025 to 2030

In this section we set out a guide to our business plan for 2025 to 2030 and signpost the reader to where they will find the information they require. The plan has been organised into 11 chapters and is supported by five enhancement cases and four cost adjustment claims, each of which is summarised below. In addition, there is a series of supporting documents and technical appendices. We have also completed all the Ofwat required data tables with supporting commentary documents that complete our regulatory submission.

A. Introduction

1. Our business plan for 2025 to 2030 is summarised below in figure 1. Each of these components are presented in separate sections of our business plan.

Figure 1: Summary of our business plan for 2025 to 2030



B. Main business plan document

Chapter 1: [Guide to our business plan for 2025 to 2030 \(this document\)](#)

2. In this section we set out the structure of our plan and provide a guide to our submission.

Chapter 2: [Executive summary](#)

3. An executive summary of our business plan for 2025 to 2030.

Chapter 3: [About us and our track record](#)

4. In this chapter we provide information about the Company, its current operational and financial position. We summarise our past and current performance in the main service areas and highlighted areas of strong performance and where we continue to make progress.

5. We also summarise our financial reconciliation against our PR19 business plan.

Chapter 4: [Our long term delivery strategy](#)

6. In this chapter we put our five-year business plan into the longer-term context by summarising our long-term delivery strategy (LTDS). It sets out our performance ambitions for 2050 and how we will achieve them, projecting how much performance will be delivered by base expenditure and where we expect to need enhancement funding.

7. Our LTDS presents our core adaptive pathway and identifies the enhancement investment required between 2025 and 2030 and beyond. It also presents two alternative pathways to deal with future uncertainty.

Chapter 5 [Our customers and their priorities](#)

8. In this chapter we provide information about the customers we serve and how we engage with them. We summarise the customer insight we have used and how it has informed our plan.

9. We also explain how customers have been able to challenge our plan and how we have assured the quality of the customer engagement we have carried out and how it has been used.

Chapter 6: [The outcomes we will deliver](#)

10. In this chapter we present the outcomes we will deliver for our customers and the environment. We explain how we have set our performance levels for each of the performance commitments and what our targets are between 2025 and 2030. We also present the price control deliverables that will support the delivery of our plan and other metrics we will use to monitor and assess our performance.

11. In addition, we present the outcome delivery incentives that are aligned to each of our performance commitments that will reward strong performance and penalise us when we don't achieve our targets.

Chapter 7: [Explaining our costs](#)

12. In this chapter we explain the costs we expect to incur in our wholesale and retail businesses to support the outcomes that we will deliver for our customers during AMP8.

Chapter 8: [Financing our plan](#)

13. In this chapter we demonstrate that our plan is financeable and that we understand the risks associated with our plan, how we are managing these risks and that we are resilient to a range of shocks and stresses over the long-term.



14. We also present our dividend and executive pay policies which are in line with Ofwat's guidance.

Chapter 9: [Affordability](#)

15. In this chapter we explain the impact our plan will have on customer bills and what is driving the increase in bills over the five-year period. We show our bill profile over the period and set out what customers have told us about the acceptability of the bill impacts.

16. We also demonstrate how we have considered long-term affordability and intergenerational fairness. We set out how we will support customers who can't afford their water bill financially, and how we will work towards our long-term ambition of eliminating water poverty.

Chapter 10: [Making it happen – Our delivery plan](#)

17. In this chapter we explain how we deliver the outcomes and performance commitments we have made, covering both our wholesale and retail business.

Chapter 11: [Board governance and assurance](#)

18. In this chapter we present our Board assurance statement and evidence of Board scrutiny and assurance.

C. Long-term delivery strategy

19. Our [long-term delivery strategy full document \(LTDS\)](#) presents our performance ambitions between 2025 and 2050. We have prepared an adaptive strategy that sets out the how we will achieve our long-term ambitions under a range of scenarios. This document sets out our LTDS and the rationale behind it and is aligned with our business plan for 2025 to 2030.

D. Enhancement cases

20. To support our business plan for 2025 to 2030, we have produced five enhancement cases. They can be summarised as follows:

Enhancement case 1: [Drinking water quality enhancement \(SES006\)](#)

21. This enhancement case covers the additional investment we need to make to:

- Install UV treatment at two sites to protect drinking water quality in line with DWI regulations
- Remove lead pipes to help reduce the risk to customers most at risk from lead exposure

Enhancement case 2: [Enhancing the resilience of our water treatment works and processes \(SES007\)](#)

22. This enhancement case covers the additional investment we need to make to:

- Ensure our water production sites meet SEMD security regulations
- Increase the resilience of our water production sites to mitigate power outages and other climate change impacts that could threaten the service we provide



Enhancement case 3: [Additional leakage reduction and enhanced network resilience \(SES008\)](#)

23. This enhancement case covers the additional investment we need to make to:

- Embed our industry-leading approach to assessing and predicting the health of our underground assets across our supply area to inform our future investment decisions and water mains renewal programme
- Enhance our already smart network to provide more detailed monitoring and data to enable us to continue to reduce leakage and supply interruptions over the long-term
- Fast-track leakage reduction in line with our customers' expectation through a combination of active leakage control, pressure optimisation and customer-side leakage detection.

Enhancement case 4: [Smart water customer experience - enhanced smart water management, open data, and security \(SES009\)](#)

24. This enhancement case covers the additional investment we need to make to:

- Provide smart meters to all households and businesses by 2032 supported by new digital technology that will enable the collection of near real-time data that will be used to engage with customers through interactive platforms to maximise the benefits that the meters will bring in helping to reduce water use and wastage
- Enable us to safely open up our data in line with Ofwat's expectations
- Put in place enhanced cyber security provision to protect our customers and meet the DWI's enhanced Cyber Assessment Framework.

Enhancement case 5: [Environmental improvement \(SES010\)](#)

23. This enhancement case covers the additional investment we need to make to:

- Deliver the statutory requirements of our WINEP, including drinking water source protection, species protection and investigations into the impact of our current abstractions from the environment
- Deliver an environmental enhancement scheme in the River Eden catchment to increase the resilience of our water supplies and wider environmental and biodiversity benefits
- Increase biodiversity net-gain on 80% of the land we own.

E. Cost adjustment claims

25. We have submitted four cost adjustment claims that set out why our unique circumstance mean we should receive additional costs that fall outside Ofwat's industry cost models.

[Pumping cost adjustment claim \(SES027\)](#)

26. A claim relating to power costs as a result of our unique topography, specifically our average pumping head (APH).

[Regional wage cost adjustment claim \(SES028\)](#)

27. A claim relating to the additional costs arising from higher wage rates, from operating in our local region.



Softening cost adjustment claim (SES029)

28. A claim relating to our unique statutory obligation to soften water before it is supplied to customers.

Retail scale (SES030)

29. A claim relating to the additional costs arising from our small-scale retail operation.

Input price pressures and ongoing efficiency

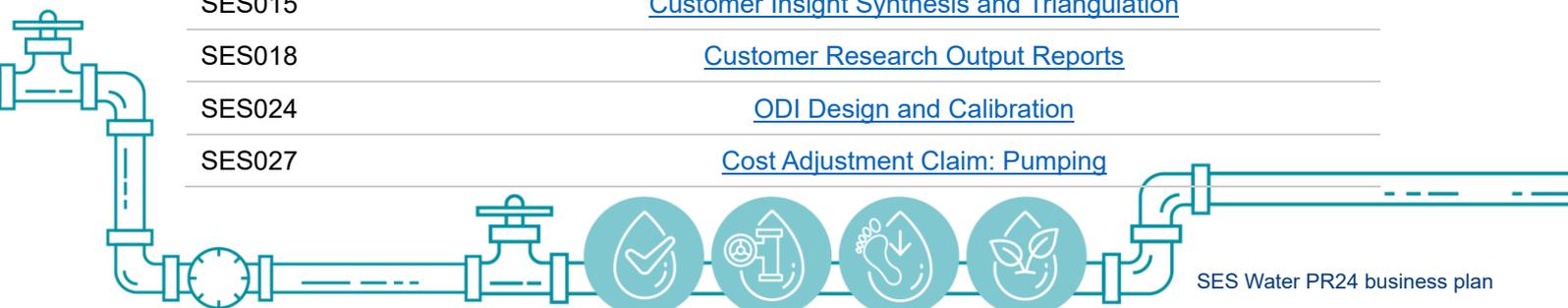
30. We have carefully considered the scope for us to achieve ongoing cost efficiencies going into the next AMP and how Ofwat should treat the uncertain input price pressures (wages, energy and chemicals) in our price controls.

31. We have a separate supporting appendix – [SES005B Cost Efficiency Benchmarking](#) – that sets out our proposals in this area and the assumptions we have made in submitting our plan.

F. Technical appendices and other supporting documents

32. The following table sets out all the supporting documents and technical appendices that support our business plan and LTDS. All our business plan documents can be found at www.seswater.co.uk/businessplan

Document reference number	Document title
SES001	LTDS – Development Process
SES002	LTDS – Long-term Ambitions and Priorities
SES003	LTDS – Future Scenarios Detailed Report
SES005	Explaining Our Costs
SES006	Enhancement Case – Water Quality Enhancement
SES007	Enhancement Case – Enhanced Resilience – Treatment Works and Processes
SES008	Enhancement Case – Enhanced Leakage and Network Resilience
SES009	Enhancement Case – Smart Water Customer Experience
SES010	Enhancement Case – Environmental Improvement
SES011	DWI Letters of Support (UV Installation and SEMD)
SES012	External Assurance
SES013	Household Customer Strategy
SES014	Customer Research Summary and Methods
SES015	Customer Insight Synthesis and Triangulation
SES018	Customer Research Output Reports
SES024	ODI Design and Calibration
SES027	Cost Adjustment Claim: Pumping



SES028	Cost Adjustment Claim: Regional Wages
SES029	Cost Adjustment Claim: Softening
SES030	Cost Adjustment Claim: Retail Scale
SES032	DWI Submission – Long-term Planning for the Quality of Drinking Water
SES034	Ofwat letter from February 2023 LTDS meeting
SES035	Operational Greenhouse Gas Emissions – Proposed Trajectory
SES036	Environmental and Biodiversity Evidence
SES037	WINEP Programme – EA Letter
SES038	Rebecca Pow MP – Letter and Response
SES040	Customer and Environmental Scrutiny Panel – Final Assurance Report
SES042	Digital, Data and Cyber Security Strategy
SES043	Resilience Framework – Adoption of System Based Thinking
SES044	DMA Asset Health Evidence
SES045	Bill Waterfall Model
SES046	Cost of Debt, Cost of Equity and Inference Analysis Cross Check on Allowed Returns
SES048	Financial Stress Testing Scenarios
SES051	Cost Benefit Analysis Smart Metering
SES052	Pioneer Modelling
SES053	PR24 Governance Framework
SES059	DWI Letter of Support (NIS)
SES061	DWI Cyber Assessment Framework Pilot Report
SES063	Price Control Deliverables and Additional Reporting Metrics
SES064	Impact of Covid on Water Consumption
SES065	Dividend and Executive Pay Policy 2025-2030
SES067	Bough Beech and Fetcham Springs Mater Plan
SES069	RoRE Assumptions and Ranges
SES070	Bid Assessment Framework
SES071	Glossary of Terms
SES073	Bespoke Softening Performance Commitment
SESQAA	Signposting document for quality and ambition assessment

Please note documents SES045 and SESQAA are excel files and we cannot link to them directly, but both are available at www.seswater.co.uk/businessplan

