



South Staffs Water



Cambridge Water

Annual Performance Report 2025/26 Supplementary Information Appendix

July 2026

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Confirmation of common methodology compliance

The table below confirms RAG status against common methodologies for the relevant PCs.

Performance commitment	RAG status
Leakage SST	Green (75 components green, 1 component amber)
Leakage CAM	Green (73 components green, 3 components amber)
Per capita consumption SST	Green (all components green)
Per capita consumption CAM	Green (22 components green, 1 component amber)
Business demand SST	Green (all components green)
Business demand CAM	Green (all components green)
Unplanned outage	Green (all components green)
Supply interruptions	Green (all components green)
Mains repairs	Green (all components green)
Biodiversity	Green (all components green)

There are a small number of amber components within some elements of the water balance, which have been dealt with, audited, and are not materially impacting the reported numbers. These are:

- Within leakage SST, component 5d, we had failure of some SAM meters which led to reduced data representation. We worked with Artestia to infill data from comparable SAMs.
- Within leakage CAM:
 - Component 2a is at 86% so does not quite reach 90% threshold, this is due to just 2 DMAs, which could be combined into a super DMA to reach 90%. Has not affected leakage targeting.
 - Component 5d, failure of some SAM meters which led to reduced data representation. We worked with Artestia to infill data from comparable SAMs.
 - Component 16b, our water balance gap is 2.25%.
- Within PCC CAM, the SAM issue identified above led to an amber on component 4c.

Section 3 table errors, formatting and layout

Upon population of tables 3A and 3D we noted errors within several automated formulas related to the regional PCs of leakage and per capita consumption, where the formulas were pointing to the incorrect input values. These have been corrected directly within the submitted version of the spreadsheet.

We also note that for SSC, business demand is a regional PC, yet there was no provision on table 3A to report regional business demand. Upon Ofwat's instruction, we have changed the structure of table 3A to account for this omission, linking to the regional data within table 3D.

We also noted several instances of incorrect decimal place or number formatting across several tables in section 3. These have been corrected directly in the reported tables where found.

Overall we have found the new section 3 layout less intuitive than in AMP7. Primarily this is due to the inclusion of wastewater and water PCs and data on the same tables, making much of the sheet not relevant for WOCs, and non-intuitive groups of data within sheets. We recommend Ofwat revises the section 3 data table layout for APR27 to improve clarity for companies populating it and for any stakeholders using the data.

ODI payments calculator model

During production of this 2025/26 APR we have exchanged several emails with Ofwat on the ODI payments calculator model. It is our understanding at this point that Ofwat has configured the model to attempt to calculate incentives at the company level for SSC, despite us having six regional performance commitments, with individual PCLs and enhanced thresholds, as set out at our PR24 final determination.

We have not been consulted on this decision, which given it is a change from the final determination, it would have been appropriate to do so. From the communications so far with Ofwat, it appears that the decision was taken to simplify the development of the model because SSC and NES are the only companies to have regional PCs. However this is not an appropriate decision - it does not consider that this is a deviation from our final determination, the effect of doing so on the calculations, nor the customer and other regulator impact of the change given that we have regional PC reporting to align specifically with different regional WRMPs.

The combined approach Ofwat has developed in the model does not appear to give the same incentive values as calculating them separately according to the PR24 parameters and thresholds. This is likely because enhanced thresholds cannot simply be aggregated or weighted together to give the same result in all scenarios. Furthermore, the ODI calculator model does not allow the population of table 3A's regional PCs, as table 3A has specific lines for all regional PCs.

We have populated the ODI payments model as instructed, with company aggregated data. However as it does not give the correct answers, we have populated 3A with regional data and our own calculations for incentive values against those regional PCs. It is the table 3A data that Ofwat should use in our in-period determination, unless it can amend its model to correctly calculate the combined values. We would welcome further discussion on this issue.

Metering table 6D lines 31-44

Our data capture does not enable reliable determination of the split between external installations requiring excavations and those that do not, for either new installations or replacements. The split between internal and external installations is captured in around 85% of installations but this leaves 15% which are currently unclear. We do not think we have enough reliable information to make a reasonable estimate of the total numbers of different installation types for these lines.

On boundary boxes, again the data is not fully reliable. We capture the number of boundary boxes installed for the metering programme and separately on network renewal activities, but we do not have a split between new installations and replacements at this time.

Properties table 4R

There has been significant movement between unmeasured and measured properties compared to previous years due to the universal metering programme initiated in AMP8. This data and movements have been audited by our independent technical assurer, Jacobs, and we are fully satisfied on the overall trends and values. Future years will continue to see significant movements between unmeasured and measured properties as the programme continues. We will report further on the metering programme as part of our PCD delivery plan publication in August.

We note that Ofwat has removed the distinction between AMI capable and AMI active from this table. We are including all AMI capable meters in the AMI category, although we have not yet gone live with active AMI meters.

Note that for the population lines, we have left non-resident population blank. Non-resident population is not used within our calculation of PCC, and Ofwat's tables are designed to automatically include it in the calculation. Therefore we need to leave it blank for the calculations to work correctly.

Production and asset data tables 5A, 6A and 6B

There have been some movements in these tables which are worth highlighting in this commentary this year.

- 5A.1 to 5A.4: Due to the high demand year, note that overall supply volumes are higher than in the previous year, which is to be expected.
- The high demand year also impacts average pumping head, so these lines are also higher than in the previous year.
- 6A.13 to 6A.17: In 2025/26 we upgraded two sites to UV disinfection, moving these from the simple disinfection complexity group to the GW4 complexity group. The production volumes from these sites have moved group accordingly.
- 6B.2 and 6B.21: Note that the Barr Beacon number 1 service reservoir has been formally decommissioned in 2025/26, and therefore no longer appears in our service reservoir count and capacity volume, giving a reduction.
- 6B.16 and 6B.19: We commissioned a new network booster in the Cambridge region, which has increased the number of booster sites by one. Note the new pumping capacity has also been added to 6B.1.

Regarding APH data quality lines (5A.31-32, 6A.40-43, 6B.40-41) which are new this year, we are concerned at the lack of descriptive definition for these lines which is likely to produce inconsistent results across the sector. All of our sites have pressure and flow instrumentation, but there are some assumed and static data points also which feed the APH calculations, derived from engineering detail, particularly for water treatment. However, these assumptions do not carry equal weight across our calculations. In the absence of a clear definition, we have not taken account of the weight of each assumption in calculating the data quality values, instead taking a simple count of the number of assumed data points versus the number of telemetered data points. This likely overweights the assumptions compared to telemetry data, however doing a weighted calculation would have required substantial work within our average pumping head calculation model.

Unplanned and planned outage

Unplanned outage is 1.96% and planned outage is 1.55% for 2025/26. This achieves the performance commitment. We note that planned outage is no longer collected in the APR tables.

Overall, PWPC has risen slightly following upgrade works at some sites, some of which are also covered by our PCD delivery programme and will therefore be discussed further in our submission in August.

Operationally during 2025/26 we had a very high demand year, and this means most sites ran at or very near to maximum PWPC, implicitly demonstrating their maximum capacity is attainable.

In terms of outage, the level of short duration outage has been generally low this year, due to the demands on the system and the need to maintain high operability.

We do have some lengthier periods of water quality related outage within the data this year however, where we have deliberately implemented proactive water quality restrictions as a precautionary/monitoring measure following either a sample failure or updated water quality risk assessment. These have been classified as unplanned outage where the full site volume was unavailable for use. We are concerned that the definition creates some perverse outcomes in this regard and would welcome further regulator and industry collaboration on this

Mains repairs and interruptions to supply

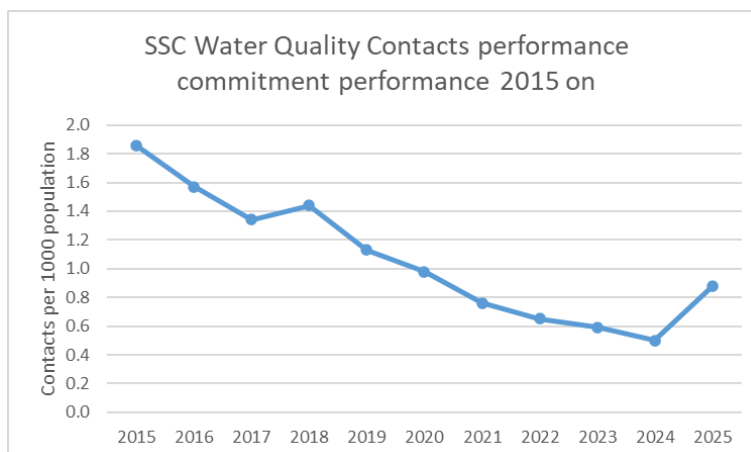
We have not achieved our year one target for mains repairs, due to the exceptionally warm and dry weather conditions in summer 2025, which led to a high soil moisture deficit and increased bursts, followed by strong cold spells during winter 2025 into 2026, which also led to increased burst rates above the average winter level.

Historically we have one of the highest levels of mains renewals in the sector and in AMP8 we are increasing our mains renewals further, which is being delivered under a PCD and which we are on track to achieve with a strong start in year one. Further information on this programme will be included in our PCD delivery plan publication in August.

Despite the higher level of mains repairs in 2025/26, we achieved our PC target for interruptions to supply, demonstrating the resilience of our network to operational events and our strong operational response capability.

Customer contacts about water quality

We experienced a very high demand year in 2025/26 due to the exceptional summer weather conditions. This has led to higher than normal flow velocities in pipes and resulted in some sediment disturbance, increasing the number of contacts from customers. We are disappointed with this increase given the substantial improvements that we made to this measure over the past 10 years (see chart right). We are working hard to undertake corrective actions in the network to alleviate the sediments and we are beginning to see improvements in 2026, but it may take some time for the disturbed sediments, now more mobile, to fully pass through the system either naturally or through our flushing programme.



Population update and impact on per capita consumption

In 2025/26 we have worked with CACI to improve the estimate of population, which is a critical value for per capita consumption normalisation.

Historically, we have only reviewed population estimates every five years, during the WRMP process, where a forecast of population growth is made. However as time passes this forecast becomes out of date, a risk which is greater during periods of rapid population change, as the UK has experienced in recent years as a result of large levels of immigration. There is also a lag to demographic data available from the ONS and other sources, leading to a risk that an infrequent assessment does not capture the real position due to the timing of the assessment and data available to it.

During WRMP24, the latest assessment, we did not commission our own population study in the SST region, as we have done in previous WRMP submissions. We instead utilised the results of a study undertaken by Severn Trent. The CAM approach was different and we did commission our own study for that region.

The WRMP occupancy rate was assumed to be broadly static for SST in the near term, then reducing over time. This means that whilst absolute population was forecast to increase broadly in line with property growth, the density of people within existing and new property was assumed to be reducing. The CACI data set for 2025/26, alongside further data sets developed by KELP as part of our vulnerability strategy development in 2025, for the year 2021/22 and later updated for 2023/24 ONS data, show that occupancy rate is increasing rather than being stable, when normalised against property growth.

We can see by examining industry data¹ since 2011 that two thirds of companies have occupancy rate growth over this period, whereas the SSC rate is static². Our immediate neighbours, Severn Trent and Anglian, have occupancy rate growth of 7% and 6% respectively over this period. Since 2019/20, Severn Trent has a real 3% occupancy rate growth, and Anglian 4%. Even over a short period since 2021/22, Severn Trent has 2.6% real occupancy growth and Anglian 2.3%.

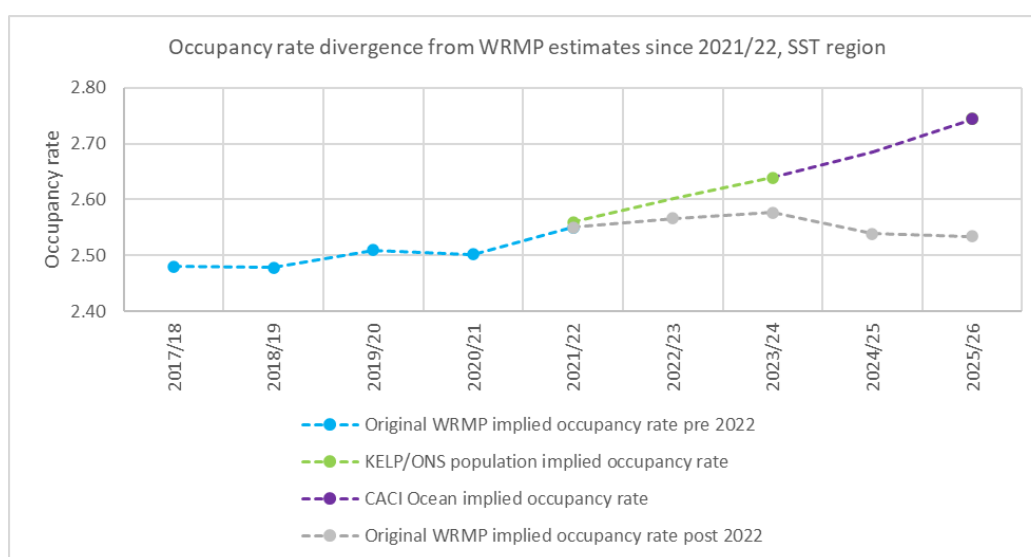
The CACI data, which is the latest data point available, is based on CACI's new 'Ocean' property level model. The model is based on an ONS census sourced, and third-party enhanced, dataset which models property level occupancy data. We supplied our property database to CACI who mapped on their occupancy model. In the SST region we had a matching success rate of 97.7% and in CAM a success rate of 96.5%. We note that United Utilities used the same data source in APR25 to update their population estimate.

SST region

We have applied the CACI data for the latest year to our actual residential property count, excluding voids and NAVs, to estimate a total population value. This updated estimate is as follows:

Attribute	SST region
Updated occupancy rate from CACI Ocean, 2025/26	2.74
APR26 residential properties excluding voids	549,867
Total population estimate for 2025/26	1,509,285
Original WRMP population estimate for 2025/26	1,393,520
Difference between revised and original estimates	+115,765 (+8.3%)

We do not have a CACI Ocean data set for years prior to 2025/26, as their latest model is new, however taking this together with the KELP data for 2021/22 and 2023/24 (shown on the chart below), these estimates clearly demonstrate that our occupancy rate projections since 2021/22, in the SST region, have been too low, and we are not accounting for a critical rising population density within this supply region, that is having influence on water demand.



¹ Obtained from Ofwat's PR24 cost modelling data set.

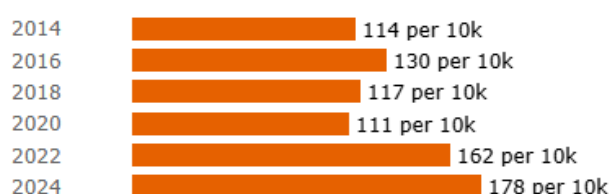
² The calculation is household population divided by household connected properties.

Particularly of note is the drop in occupancy rate from 2024/25 onwards in the original WRMP forecasts, which does not make sense given the demographics of the region (highly industrial and dense, with large groups of ethnic minority populations), and the population increases evidenced at regional and national level recently.

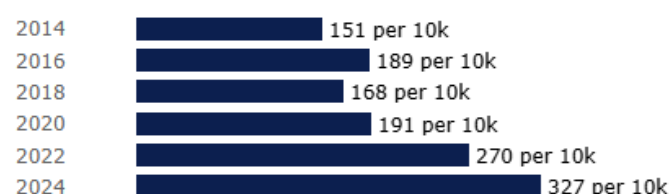
The KELP and CACI data points show how occupancy begins to diverge from the original WRMP forecasts since approximately 2021/22. The divergence is not extreme initially, but the continued rising trend builds to a significant gap against the previously assumed flat and later decreasing profile. As the divergence begins since approximately 2021/22, there is no evidence to suggest that the data before this was materially incorrect, and so the baseline years 2017/18 through 2019/20 are unaffected.

The growth in population in the region and UK generally is supported by third party data and reports. For example the West Midlands State of the Region 2024-2025 report³ states that in a single year from 2021 to 2022 the population grew by 1.1%. Note the lag on that figure as it is from 2022 in a 2024-2025 report. A tool available from the Migration Observatory⁴ also shows an acceleration in regional immigration since 2022, which has grown more quickly than then UK as a whole. Applicable regions in and around our SST supply area are Birmingham, Walsall and Sandwell, see charts below from the website (link in footnotes).

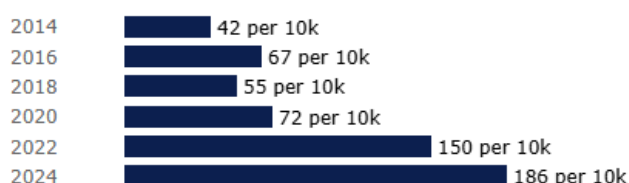
United Kingdom



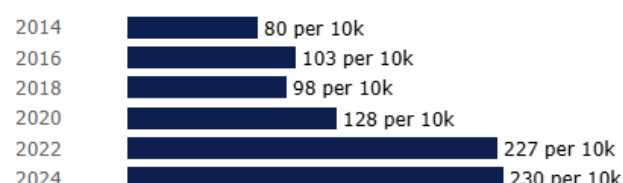
Birmingham



Walsall



Sandwell



The lag in this data being available means that when the WRMP was assessed in approximately 2023, data was only available from c. 2021, which was before the more rapid growth started to occur and be seen within the available data sources.

CAM region

We have examined the same CACI Ocean model, KELP data and external data sources for our Cambridge region.

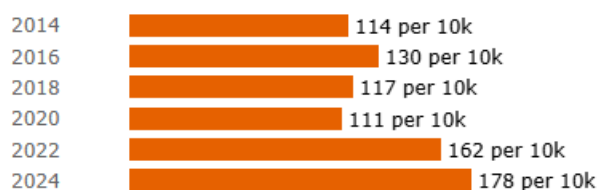
In Cambridge, the WRMP already had been forecasting a growth in occupancy rate. This is because population growth had been known about in this region for some time. The Migration Observatory data

³ [West Midlands State of the Region 2024 - 2025](#), p14.

⁴ [Local data on migrants in the UK - Migration Observatory](#)

(below) shows a very high rate of migration for Cambridge compared to the UK average, but that this has been steady since 2016 with no recent rapid increase.

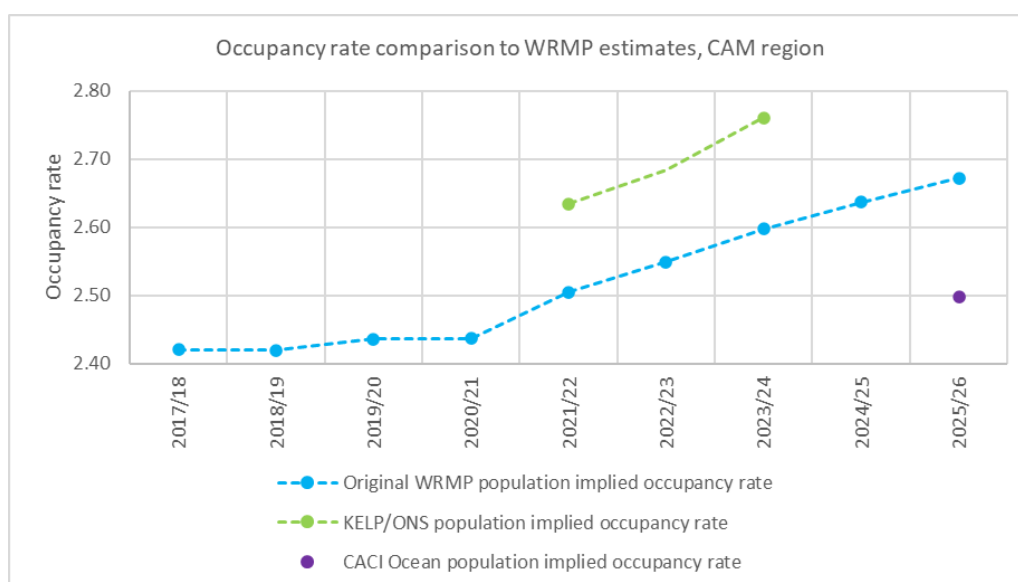
United Kingdom



Cambridge



Showing the WRMP estimates, latest CACI data point, and previous KELP estimates together (see chart below), the result is inconclusive. The latest CACI data point shows a lower occupancy rate than the previous KELP data suggested. KELP was higher than our WRMP projection, whereas CACI was lower, such that the WRMP projection falls centrally within these estimates.



We discussed the latest, lower, population data point with CACI who said that their modelled approach may not be reliable when there is a large proportion of transient student population, which Cambridge has. We intend to work further with CACI to see how their model accounts for transient populations.

Given this inconclusive result, and the fact that WRMP was already projecting a rising occupancy rate that falls centrally between these alternative estimates, and the fact that Cambridge, whilst still experiencing population growth, has not seen the same acute acceleration as the Midlands region has in very recent years, then we do not think the evidence supports a change to the population estimate in this region. Whilst there is a range of uncertainty with the current estimate suggested by the other data points, we would not be able to justify in which direction the population estimate would change, if any, given the opposing results of the CACI and KELP estimates.

Impact on PCC

Population is a critical value for per capita consumption, as it is used to normalise absolute consumption into a per person estimate of usage. This means PCC is very sensitive to population, unlike absolute consumption which is measured and tested through the water balance process.

An incorrect population value will mean the normalised estimate of per capita consumption is not correct, especially when population has risen so rapidly over a short space of time which has not been detected due to the lag in obtaining these types of statistics.

This is not a methodology change. Whilst previously we did not update population regularly, instead taking the WRMP value directly, doing so now is correctly ensuring we are reflecting the most robust and up to date estimate of population within the same overall water balance methodology, so that we have the most robust and accurate alignment between population and consumption that we can, to explain the breakdown of water use. As the divergence in occupancy in the SST region is from 2021/22 onwards, the baseline years used to measure performance (2017/18 to 2019/20) are unaffected and remain unchanged. The update only impacts on the SST region, as explained above the data is inconclusive for the CAM region and does not justify making any change to the population value used.

The table below shows the impact on PCC for the SST region, showing original and revised populations, annual PCC and three-year average PCC values, for the revision of population since 2021/22 as per the population deviation that begins at this point.

SST region summary	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Household consumption from MLE water balance	169.01	176.85	171.84	203.45	205.02	197.71	190.45	194.69	203.77
Original WRMP population	1325207	1343713	1358788	1348632	1375802	1383693	1391556	1387240	1393520
Original PCC	127.53	131.61	126.47	150.86	149.02	142.89	136.86	140.34	146.23
Original 3-year-average PCC			128.54	136.31	142.11	147.59	142.92	140.03	141.14
Revised population	1325207	1343713	1358788	1348632	1380661	1403041	1425420	1467353	1509285
Revised PCC	127.53	131.61	126.47	150.86	148.49	140.92	133.61	132.68	135.01
Revised 3-year-average PCC			128.54	136.31	141.94	146.76	141.01	135.74	133.77

We have checked whether these changes impact on PR24's determinations, and they do not because the value of the AMP7 penalties remain higher than Ofwat's minimum relief policy after these updates, therefore the application of the minimum relief policy still applies. The updated values have been incorporated into the APR26 reporting tables (3D and 3A) in order to correctly calculate performance against the PCC performance commitment for AMP8.

Impact on WRMP

Population is a key input to water resources planning. The discovery that population is higher within the SST region than previously assumed means that we need to review the impacts of this on our 2024 WRMP. We have included the updated population in the latest annual return submission.

Continual review

We will keep population under regular review going forward given the importance of the value to several key performance, resilience and planning workstreams. We will examine published population statistics regularly, working with consultancies such as CACI and others, to develop continually robust and up to date assessments of population, for annual reporting, future price review and water resources planning. As these workstreams progress, we will continue to report detail of our latest analysis and findings through existing processes such as the APR, PR29 and WRMP29.

Assurance

We have externally assured this population update with our independent technical assurers, Jacobs, covering the CACI data and process, the triangulation with the KELP data, and our wider rationale on the overall recent immigration and population increase trends which support this update.

Jacobs commented that “In our opinion the new approach is more robust than continuing to use the WRMP based projection which has a relatively flat profile of occupancy rates from 2017/18 to 2025/26. The new approach uses property level estimates of occupancies that are then summed to give a South Staffs region level estimate of both population and occupancy. We consider the revised trends in occupancy rates are robust and are supported by sound data.” Jacobs full assurance report is included in appendix 1.

Greenhouse gas emissions performance commitment

We have not achieved our year one PC target for GHG emissions, due to the high demand year requiring significantly higher rates of abstraction, treatment and supply than forecast in PR24. Higher pumping and treatment volumes lead to higher energy use across the production sites, leading to higher carbon emissions. There is no facility within the PC to correct for this externality as the measure is not normalised, however the data below shows that on a normalised basis emissions are 9% lower than the previous year.

Year	Absolute emissions (tonnes CO₂e) (CAW17)	Pumped volume (Ml) (table 5A.1-4 x 365)	Average pumping head total (m)	Normalised emissions (kg/Ml/m)
2024/25	61,797	160,943	192.20	2.00
2025/26	63,261	172,671	201.26	1.82

Our auditors have identified a potential issue with the way in which we include emissions for virgin granular activated carbon (GAC), stating it should be classified as a treatment chemical. We disagree with this classification. GAC is a filter media (like sand) - a solid substance, and has a capital lifespan. It is not consumed at point of use like a regular liquid, gaseous or powdered treatment chemical.

The CAW workbook, both the current version used for table 11A and the historic version used for the PC reporting, includes virgin GAC as a process factor (CAW table 5.2), rather than a treatment chemical (CAW table 5.1). We are therefore consistent with the CAW in our approach, which is used to populate APR table 11A.

Note that as a capital asset, any expenditure on virgin GAC is currently included within our embedded emissions, which is derived via the Position Green spend based approach. This is also included within APR table 11A.

Our historic reporting therefore does not include virgin GAC as a treatment chemical for the PC reporting or operational emissions within table 11A, and if we are to include it now, we would need to restate the historic baseline as well to ensure consistency. Our auditors have said that other companies they audit include virgin GAC as a treatment chemical, however they do not have full sector coverage and so we have not made this change at the moment. We would like Ofwat to consider the intention of the guidance in including virgin GAC filter media as a treatment chemical (which is not an intuitive categorisation in our view), and confirm consistency across the whole sector. If we make the change we would then need to also restate the baseline.

Note that table 3E includes new lines (3E.81, 82, 83) to split operational emissions by base, enhancement and net zero schemes. We have allocated all operational emissions to base, as enhancement is primarily capital expenditure with only very small opex expenditure. Enhancement capital expenditure is captured within embedded emissions for capital schemes. We do not have any specific net zero funding so this line is also zero.

Carbon accounting - SWOT analysis

Strengths

SSC has maintained a strong and consistent focus on its sustainability objectives throughout 2025, continuing to make meaningful progress toward its Net Zero commitments.

During the 2025/26 reporting year, the company again procured electricity through a Zero Carbon for Business contract, ensuring that all grid electricity consumption is backed by certified renewable sources. This contract has already been extended to cover the 2026/27 period, demonstrating long term commitment and stability in our decarbonisation approach.

In preparation for the remainder of the AMP, we have also initiated a competitive tender process for future electricity supply. This process is not only assessing providers of certified renewable energy but is also prioritising suppliers that can deliver additional value added services such as enhanced reporting, demand side flexibility, and support for on site generation to accelerate our progress on the Net Zero pathway.

While our Zero Carbon electricity contracts continue to support this pathway from a market based reporting perspective, we recognise that these certificates do not influence our location based emissions. To address this, SSC is actively pursuing measures that deliver genuine, physical reductions in energy use and grid demand. Our focus includes both demand side efficiency and the expansion of on site renewable generation.

As part of this strategy, the company is currently exploring several behind the meter solar PV opportunities through Power Purchase Agreement (PPA) arrangements. These projects will provide long term, low carbon electricity directly to our operational sites.

A major achievement this year was the completion of the final stages of a significant upgrade at our largest treatment works. The installation of an innovative ceramic membrane plant has transformed the site's performance. This technology improves water quality, reduces energy consumption, and enhances the resilience of water supplies for our customers. The project was funded through the UK Government's Green

Recovery Scheme and delivered in close collaboration with Ofwat and other regulatory partners, demonstrating strong alignment with national sustainability objectives.

One of the most substantial energy savings arises from the ability to eliminate the use of the site's legacy UV filtration system. Since November 2025, all UV units have been fully deactivated, and power monitoring has confirmed clear and sustained reductions in electricity consumption. From 2026 onwards, these savings will be fully realised, showcasing the significant efficiency and carbon reduction benefits delivered by the ceramic membrane upgrade.

In addition to these initiatives, a range of smaller but meaningful energy reduction projects have been delivered across the business during the year. These include LED lighting upgrades in office spaces, the installation of higher efficiency AHU units at our head office, and the replacement of an ageing boiler with a more efficient system.

We have continued to leverage the Position Green carbon reporting software that was introduced as part of our overall group carbon reporting as we progress towards recognised SBTi reduction targets. Previously we did not have robust tools for measuring our Scope 3 emissions and the position green software enables us to align with the GHG Protocol and utilises comprehensive and regularly updated emission factor systems such as Defra or Exiobase.

Using the Position Green software, we are now able to track emissions for both our purchased goods and services and Capital Projects using a spend based methodology. This is the 2nd year we have used this software now having previously only been able to estimate these using single project examples which were multiplied by overall spends.

Weaknesses:

As highlighted in previous years, SSC has continued to experience elevated customer demand across all supply zones following the post 2020 behavioural shift in water use. The 2025/26 reporting year was further impacted by the exceptional drought conditions across the UK, with England recording the driest February–August period on record. These conditions drove significantly higher water consumption, placing sustained pressure on our network and operational assets.

SSC operates with one of the highest average pumping heads across the industry due to the region's challenging topography. This means that a substantial proportion of our total energy use is associated with pumping water across our network. The increased customer demand experienced during the drought period therefore resulted in additional energy requirements, contributing to higher operational emissions.

To help offset some of these pumping related energy costs, our largest treatment works operates a Combined Heat and Power (CHP) engine, generating approximately 5.2 MW of electricity for on site use. However, because this CHP unit currently runs on natural gas, it remains a significant source of Scope 1 emissions. Decarbonising this asset is a key component of our Net Zero 2030 strategy, but until an alternative low carbon solution is implemented, it continues to represent a material emissions challenge for the company.

This is our second year using the Position Green platform to calculate embedded (Scope 3) emissions, the process still relies on a spend based methodology. This approach is widely recognised as less accurate than supplier specific or activity based methods and therefore represents a limitation in the precision of our reporting for operational and embedded carbon reporting.

During last year's audit, Jacobs identified a key issue with the software, the emissions factors used within the software were from 2019 and the platform did not inflation adjust spend values to the correct reporting year. We have requested updates from Position Green, and while some factors have been updated, others remain outstanding. In the last few weeks, the Position green software has been upgraded to 2025 emission for Purchased goods and services although this update was too late for our reporting. Emissions for Capital goods are still based on 2019 at the time of writing. For our table 11a reporting for 2025/26 we are still using the 2019 emissions and inflation adjusting spends back to this period. Going forwards the new emissions factors will be used for future reporting.

Finally, the CAW methodology treats some aspects of certain Scope 1, 2, and 3 categories separately, whereas Position Green aggregates these within the spend based calculations. This requires careful removal of specific invoices from the Position Green dataset to avoid any double counting. Examples of items we have removed include Gas and Electricity invoices; Chemical procurement and fuel card spends.

The manual reconciliation needed to align both systems increases the risk of inconsistencies and adds complexity to the reporting process.

Opportunities:

SSC sought enhanced funding through the PR24 process to invest £6.2M in ground mounted photovoltaic (PV) installations across four operational sites, including our largest treatment works with the CHP plant. Although this funding was not secured, the work undertaken has enabled us to explore other opportunities. We have since engaged in early stage discussions with a third party consultant to deliver a large scale behind the meter solar PV scheme at one of our major sites. Following these discussions, we have expanded our ambition and are now exploring similar behind the meter opportunities at four additional locations, significantly increasing the potential scale of on site renewable generation across the business.

Given SSC's higher than average pumping head, a substantial proportion of our energy use is associated with moving water around the network. This creates a strong opportunity for efficiency led carbon reduction. The Pumping Efficiency Programme (PEP) identifies primary pumping assets where refurbishment or replacement would deliver the greatest efficiency gains. A structured programme is now in place for AMP8, prioritising our highest energy using sites and working progressively through the remainder of the estate. The PEP provides a clear evidence base for investment decisions and represents a major opportunity to reduce both energy consumption and operational emissions.

Over the past two years, we have also worked with Future Leap to develop a comprehensive carbon reduction plan aligned with the Science Based Targets initiative (SBTi). This work has strengthened our understanding of emissions across all scopes, particularly Scope 3, and has highlighted opportunities to improve data quality and supplier engagement. The adoption of the Position Green platform has been an important first step in tracking embedded emissions. While we currently rely on a spend based methodology, we are now exploring pathways to transition toward more accurate, supplier specific data through improved supply chain transparency.

Our procurement processes have been updated to include carbon and sustainability criteria, with tender evaluations now incorporating a dedicated scoring element for these areas. This creates a clear opportunity to select suppliers who follow recognised methodologies and can provide high quality emissions data. In parallel, we are beginning to assess software tools and processes capable of calculating embedded carbon in new capital projects using actual material and construction data. Over time, this will allow us to remove

capital schemes from the spend based approach and transition to a more robust, activity based reporting framework.

Our current spend based approach enables us to capture capital carbon on a cradle to gate basis, giving us a broad understanding of the embodied emissions associated with our investment programme. Looking ahead, our aim is to implement improved systems and data processes that will allow us to measure capital carbon on a full cradle to build basis, providing far greater accuracy and insight to support our long-term decision making.

Threats:

Climate change continues to pose a significant and escalating threat to SSC's operations. The 2025/26 year again demonstrated the impacts of extreme weather, with prolonged dry spells and elevated temperatures driving sustained increases in customer demand. Drought conditions and water scarcity place additional pressure on our assets, often requiring them to operate harder or in less efficient configurations. These conditions reduce operational flexibility and can make planned outages for refurbishment or optimisation more challenging.

Unpredictable customer demand, driven by extreme weather events or behavioural shifts create further uncertainty in operational planning. This variability makes it more difficult to optimise pumping schedules, manage storage, and balance supply across the network and results in higher energy use and reduced efficiency. These conditions also often require higher levels chemical treatment adding to both our scope 2 and 3 emissions.

Volatile macroeconomic conditions also remain a material threat. Global instability continues to influence energy markets, resulting in price fluctuations and supply uncertainty. These conditions not only have a direct effect on our energy procurement strategies but also can affect the affordability and availability of key technologies, making long term planning more difficult as it's harder to develop robust business cases for major decarbonisation investments.

In addition to wider climate and economic risks, maintaining robust cybersecurity continues to be a critical requirement for SSC. As cyber threats grow in scale and sophistication, the organisation must continually strengthen its IT security posture to protect operational systems, business data, and supply chain integrity. However, many of our carbon reporting processes rely on the ability to extract raw data from multiple departments, systems, and operational platforms. Strengthened security controls are essential however can sometimes make it more difficult to access or transfer the data required for accurate and timely reporting.

Much of our operational reporting data is sourced directly from SCADA and other operational systems, meaning that changes to IT policies, access permissions, or data handling protocols can have a direct impact on our ability to collect, validate, and process emissions data. As reporting expectations become more detailed and data intensive, ensuring secure but reliable access to these systems remains a key risk area.

Finally, as our understanding of Scope 3 emissions continues to deepen, it is increasingly clear that new and more sophisticated strategies will be required to deliver meaningful reductions. For SSC many of the material contributors to our indirect or downstream emissions sit outside our direct operational control, and influencing these areas will require sustained investment, stronger supplier engagement, and improved access to high quality data.

Carbon accounting - embedded carbon RAG assessment

Following our group wide commitments to SBTi and ESG reporting, SSC has implemented third party carbon accounting software from Position Green. For the 2025/26 reporting year, we are reporting cradle to gate embedded emissions within this APR. This is our second year using Position Green to assess capital carbon through a spend based methodology.

In previous APRs, embedded emissions were estimated using a single major treatment works project as a benchmark, which was then extrapolated across the wider programme. This year, like last year, we have strengthened our approach by obtaining detailed procurement reports covering all capital expenditure and uploading these into the Position Green platform. Prior to upload, spends were adjusted to the appropriate year of the published emissions factor. By applying recognised emissions factors to our full capital spend, we have been able to further build on the embedded carbon figures previously reported capturing emissions associated with both capital projects and purchased goods and services.

Against the RAG assessment criteria contained within RAG4.14, we have assessed that we are 'green' overall, defined as meeting at least five of the criteria, as follows:

Criteria	RAG	SSC comments
Provision of embedded emissions data as it relates to capital projects (cradle-to-build). We anticipate good practice in this area being for companies to provide cradle-to-gate as well as cradle-to-build based data.	Amber	We have used a spend based methodology to provide an estimate of cradle to gate emissions data based on a procurement extract of all capital spend data across the reporting period. These spends were then adjusted to match the appropriate emissions factor years prior to entry into a GHG compliant third-party software provided by Position Green to calculate the emissions. This spend based methodology captures the embedded (cradle to gate) emissions associated with our capital programme. It does not include construction stage emissions, so it does not represent cradle to build currently.
Clear evidence of external verification and certification by an appropriately qualified party as it relates to the use of standards and frameworks, and quality of data.	Green	We have used audited procurement data from our finance departments and uploaded this into 3rd party software provided by Position Green who are using recognised GHG reporting methodologies to calculate our emissions. The process was then externally audited, and all comments addressed prior to submission.
Engagement with one or more recognised standard, framework, or approach for managing and reporting on embedded emissions.	Green	Position Green is using GHG protocols and recognised sources for emissions such as Defra and Exiobase to calculate our emissions which are separately been reported through our SBTi and own ESG processes.
Provision of insights into embedded emissions as they relate to construction and maintenance activities.	Amber	We are beginning to build a clearer understanding of embedded emissions associated with our construction and maintenance activities. As part of our procurement process, we now request suppliers to provide information on their own carbon-reporting maturity and reduction plans, which helps us assess the carbon performance of new contracts. While our current spend-based methodology provides cradle-to-gate insight into the embodied emissions of our capital programme, we recognise its limitations in capturing construction-stage impacts. We are therefore exploring enhanced tools and data-capture approaches that will allow us to measure capital build emissions more accurately in future years.
Complete and detailed SWOT analysis referring to embedded emissions.	Green	Our SWOT analysis includes embedded emissions and recognises our developing processes in this area including the weaknesses associated with spend based methodologies.

Provision of embedded emissions data as it relates to purchased goods and services (in addition to chemicals).	Green	We have used financial spend data provided by our finance team which has then been adjusted to remove any categories which cause double counting in the other scope 3 areas of table 11a. This data has then been inflation adjusted and then exported to our Position Green software and emissions calculated.
Evidence of both internal and external stakeholder engagement and education on its GHG emissions management and reporting approach.	Green	We actively engage both internal and external stakeholders in the management and understanding of our GHG emissions. Internally, carbon data is routinely incorporated into KPI reporting, monthly decision-tracking processes, and operational reviews, ensuring that emissions performance informs day-to-day and strategic decision-making. We also work closely with our wider group companies through ESG and SBTi reporting processes, supporting consistent methodologies and shared learning across the organisation. Externally, we engage suppliers through our procurement processes, requesting information on their carbon reporting progress and reduction plans to strengthen visibility of emissions within our supply chain.

APPENDIX 1: Jacobs assurance report for population update

Summary

Project No.		Project Description	Task	
B2443000/B2443001		Technical Assurance	APR26 Full-year Assurance	
Company	Ref	Short description	Risk score	Reported Performance for PC
South Staffs region		Population restatement for 2020/21 – 2025/26	A	N/A
Company	4R.28-32	Resident population Non-resident population (wastewater) Household population Household measured population (water only) Household unmeasured population (water only)	B	N/A

Findings Summary

We consider the team has correctly identified a material impact of the current, WRMP based, methodology used to calculate the household population for regulatory reporting in the South Staffs region in previous years. as it does not appear to be accurately reflecting the impact of net migration into the region. We also consider the team has used an appropriate methodology to calculate the population for 2025/26, to back-cast to 2021/22, and that there is evidence there has been no material impact on prior years. For 2025/26 there is no change to the methodology used in the Cambridge region.

South Staffs region

In our opinion the new approach is more robust than continuing to use the WRMP based projection which has a relatively flat profile of occupancy rates from 2017/18 to 2025/26. The new approach uses property level estimates of occupancies that are then summed to give a South Staffs region level estimate of both population and occupancy. We consider the revised trends in occupancy rates are robust and are supported by sound data.

The team has used available sources of population and occupancy data, including both ONS and studies by third parties (KELP and CACI); the table and chart below show the trend in occupancies (which excludes the changes in property numbers).

We make the following observations:

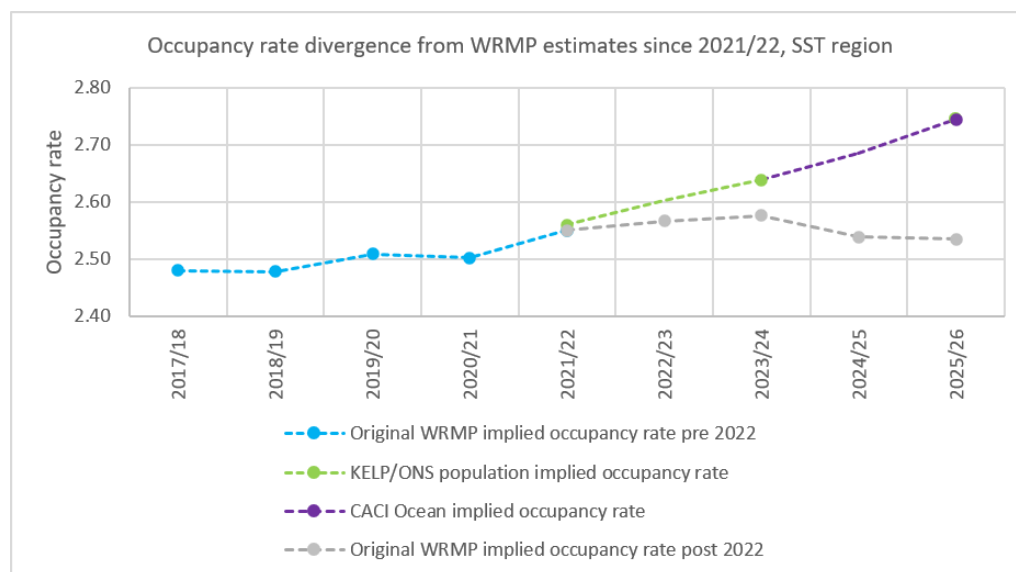
- The team has correctly interpolated values for 2022/23 and 2024/45 from years where data is available.
- We concur that, based on the available data, restatement of 2017/18 to 2020/21 does not appear necessary, but recommended that the team identify if additional data could support the trend in net migration post-COVID and how this is likely to have impacted the South Staffs Region. This information was provided post-audit (see below).
- The only assumption that has been changed is the company's average household occupancy rate. This is used to derive the total household population, which is then the denominator for the PCC calculation.
- The changes to occupancy rates only impact the estimates of total household population each year, which are only used as the denominator in the PCC calculation. For the avoidance of doubt, there is no impact on reported leakage, other performance commitments or any other components of the water balance.
- All elements of the PCC Compliance Checklist remained unchanged from the previous methodology.
- We have checked the team's calculation of occupancy rate and population from the data provided by CACI, focussing on 2025/26.

This audit was undertaken in advance of the water balance audit, so whilst we reviewed indicative impacts on PCC we reviewed the final changes once the water balance had been finalised, as set out in our leakage, PCC and business demand feedback.

The key output from the team's review of the population calculation was the population and occupancy from 2021/22 as shown in the following table and chart.

Population and Occupancy

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Props HH excl voids		542,325	541,564	539,018	539,437	539,108	540,156	546,445	549,867
Population					1,380,661	1,403,041	1,425,420	1,467,353	1,509,285
Pop source					KELP/ONS	Interpolate	KELP/ONS	Interpolate	CACI
Occ rate					2.56	2.60	2.64	2.69	2.74
OCC rate OCEAN									2.74
orig WRMP pop	1,325,207	1,343,713	1,358,788	1,348,632	1,375,802	1,383,693	1,391,556	1,387,240	1,393,520
orig WRMP occ rate	2.48	2.48	2.51	2.50	2.55	2.57	2.58	2.54	2.53

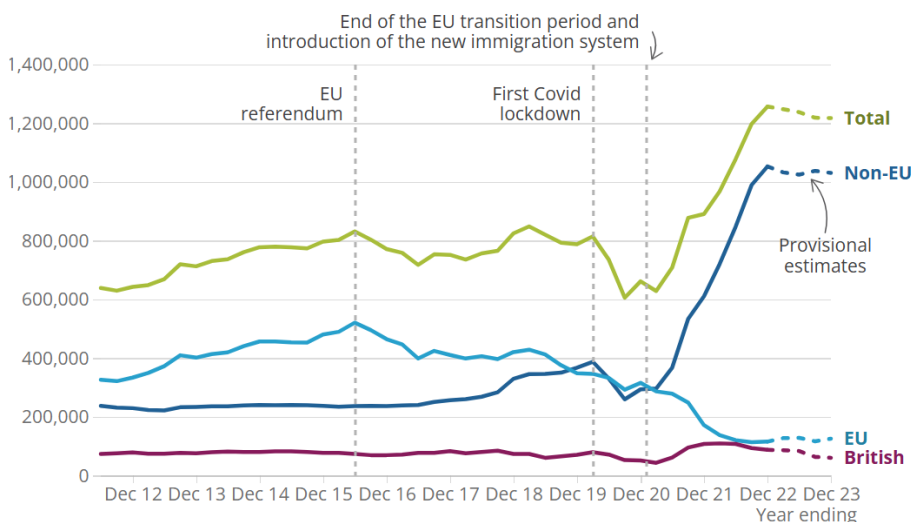


Detailed checks

External drivers

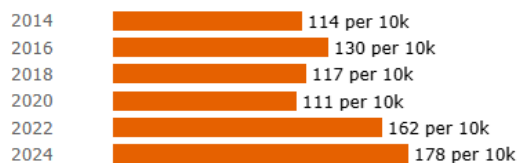
The team presented details of the national trend in net migration, which appears to align with the increasing occupancy rates from 2021/22.

Number of non-EU, EU, and British nationals immigrating long-term to the UK, between the YE June 2012 and the YE December 2023

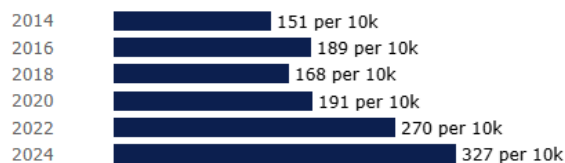


Following the recommendations made in the audit the team provided additional evidence of the regional nature of the changes in migrant flows (per 10k population):

United Kingdom



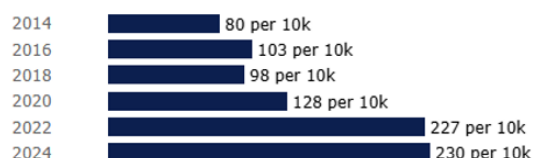
Birmingham



Walsall



Sandwell



Alignment of property data

The team was able to demonstrate a close alignment of property data, with that sent to CACI, a small discrepancy of 310 properties (0.02%) was found which is likely due to a mis-match of property details and not considered material.

The team was also able to demonstrate that for 2025/26 CACI were able to assign occupancy rates to 99.2% of the properties, with the remaining 4,900 assigned the company average rate of 2.61. When adjusted for voids this generates an occupancy rate of 2.75 for 2025/26.

We therefore consider the new approach calculates a more robust population for the South Staffs region than using the WRMP projection, using detailed pre-property data, which is also supported by regional population trends. This calculation passed all our audit tests and validations, so we therefore consider this new methodology should be scored 'A'.

Cambridge region

For 2025/26 the team has continued to use the WRMP projections. Although the team reviewed potential changes in the methodology to align with the new methodology for the South Staffs region the changes did not appear to align with other sources. The team will continue to review the Cambridge methodology in advance of 2026/27 reporting.

APR Lines 4R.28-32

We have checked that the reported company total populations in Table 4R.28-32 is consistent with the revised calculation:

- For the South Staffs region the team has used the new population estimate.
- For the Cambridge region the team has continued to use the WRMP projection.
- The spilt between measured and unmeasured continues to be based on the percentage of measured vs. unmeasured properties in each region.

Due to the late changes to the methodology, at the time of the audit the methodology document for these lines had not been updated, we therefore scored the APR reporting lines as 'B'.

Emerging risks/issues

It is likely that population and occupancy estimates will improve over time, so the methodology to estimate population may also need to evolve.

Date of audit	Jacobs Team	Client Team			
28.05.2026	Gary Shuker, Simon Beal	Daniel Haire, Philip Roberts			
23.06.2026	Gary Shuker, Simon Beal	Daniel Haire, Philip Roberts			
Revision	Date	Description	Author	Checked	Reviewed
1.0	30.06.2026	Feedback sent to South Staffs	SB	GS	VK

Risk Scores

Score	Meaning
A	Low reporting risk – criteria are fully met (no weaknesses in the methodology - no actions)
B	Low to medium reporting risk – criteria are not fully met (weaknesses exist but they are not material - must have action)
C	Medium to high reporting risk – criteria are only partially met (material weakness or several minor weaknesses with material effect).
D	High reporting risk – criteria are not met (two or more material weaknesses in the methodology).
NA	Not audited as it was outside our scope

Guidance on risk and materiality:

The score reflects the level of reporting risk for the process and is based on the overall opinion of the auditors. In general, a weakness is material if it has the potential to impact the quality of the reported number to a greater degree than assumed by the confidence grade. All weaknesses (material and non-material) are described below (issues) and have been given a corresponding action.

Issues and Actions

Ref	APR Line Reference	Issue	Action	Impact (Material or non-material)
4	3D.10-14	The team has demonstrated a divergency (or increase in occupancy rates) from 2021-22, including national data demonstrating an increase in net migration.	Any additional local data would support the validation of the revised trend	Non-material Closed: additional evidence was provided post audit
2	3D.10-14	As the water balance was not finalised at the date of our audit our assurance has focused on population and occupancy rates changes.	We recommend a review of the impact on PCC, including AMP8 targets	Potential (potential material impact on PCC)
3	Population estimates	The analysis indicates a divergence from WRMP estimates.	Ensure population estimates in WRMP24 annual reviews and WRMP26 align with the company's latest views.	Potential (potential material impact on PCC)
4.	4R.28-32	Due to the late changes to the methodology, at the time of the audit the methodology document for these lines had not been updated	Prepare methodology document,	Non-material

Test 1 – Performance and Context

Audit Test			Risk Score (A, B, C or D)
Is the <u>reported</u> data and commentary reasonable and consistent with the other information seen at the audit			A
Criteria		Y, N or NA	Notes
1.1	Has the data been added to the input tables on the company's SharePoint in the right format, the correct units and to the right number of decimal places? Note: Please capture the reported performance for PCs in the Summary table above using format and units stated in the FD. Capture APR data in screenshot to be attached in notes below.	Y	Tables were provided post-audit.
1.2	Can any difference in performance in relation to previous years and target be explained?	Y	The revised estimate for South Staffs region includes a more robust assessment of population.
1.3	Is the performance reported for prior years subject to change? (if yes give details below)	Y	For South Staffs region the team has compared the revised population and occupancy rate estimates with the WRMP values. The population for 2023/24, 2024/25 and 2025/26 will be calculated using the new methodology (values for 2023/24 and 2024/25 are to be restated). No change to prior years in the Cambridge region.
1.4	Is the Company on track to meet the end of year PC target if defined in FD24, or internal target if not defined in FD24?	NA	
1.5	Is commentary provided and is it consistent with the process and the reported number(s)? Does it explain this year's performance in relation to previous years and target?	Y	A detailed report/commentary was provided.
1.6	Is/are the confidence grade/grades the same as stated in the methodology document and is it consistent with the findings of the company's sample checks. Note- please record the confidence grade in the notes.	NA	Confidence grades were not prepared.
Additional Guidance			
NONE			

Detailed Observations to justify assurance decisions

None

Test 2 - Process Compliance

Audit Test			Risk Score (A, B, C or D)
<i>Has the process defined in the methodology document been followed?</i>			B
Criteria	Y, N or NA	Notes	
2.1	Is the methodology up to date?	Y	A detailed commentary was provided which sets out the methodology for the Sout Staffs region recalculation. However, due to the late changes to the methodology, at the time of the audit the methodology document for lines 4R.28-32 had not been updated.
2.2	Have any changes to the requirements since the last audit been included in the process?	N	
2.3	Has the process described in the methodology document been used to produce the reported number and is there an audit trail to evidence this?	Y	
2.4	If the process used was different to the methodology was the deviation reasonable and has it been justified and authorised?	NA	
2.5	PCs only – Where there are specific assurance requirements stated in the PR24 Final Determination (or in guidance referred to in the PR24 FD) have these been fully addressed?	NA	
2.6	Has the RAG Compliance Checklist been completed (if applicable)?	NA	Although we note this change in methodology has no impact on the PCC compliance checklist (which is reviewed separately in our leakage, PCC and business demand feedback)..
2.7	Where components of the RAG Compliance Checklist are not 'green' does the Company have a plan to progress the components from their current RAG status to 'green'? Is the plan credible?	NA	
2.8	What progress has the Company made since the last audit to progress non-green components of the RAG Compliance Checklist to 'green'?	NA	
2.9	Is there evidence that internal sign off has been completed?	Y	The change is calculation of the population for the South Staffs region, and the impact on PCC, has been discussed and agreed by the water balance group which include executive representation.
2.10	Is the level of sampling undertaken by the team the same as in the methodology? Note: Record the level of sampling undertaken by the team and the error rate in notes.	N	Sample checks on data not relevant, the team has focused on validating the final values, and the recent trend.

Additional Guidance
NONE

Detailed Observations to justify assurance decisions

None

Test 3 – Data Checks (summary)

Audit Test			Risk Score (A, B, C or D)
<i>Have the data checks identified any issues?</i>			A
Criteria	Y, N or NA	Notes	
3.1	Did your spot check of calculations and spreadsheet formula identify any issues? (capture details of checks in table below)	N	
3.2	Did your spot checks on data - review of highest, lowest, dates, location, etc. identify any issues? (capture details of checks in table below)	N	
3.3	Did your end to end checks of sample of data to review calculations, categorisations (incl. company allocation) and exclusions against source data identify any issues? (capture details of checks in table below)	N	The main focus of the assurance was that the team had undertaken appropriate calculations on the outputs from third party consultants and that the trends in the calculated values of population and occupancy rate were appropriate.
3.4	Did the reported numbers change during (or after) the audit? <i>(Add comment on what changed and why, take screenshot of revised numbers. If not resolved in audit raise a material issue)</i>	N	
Data checks - Approach			
Data checks focussed on confirming input data and calculation formula were reflecting the methodology logic being applied.			

Test 3 – Data Checks (record of checks made)

Document reference	Details of check	Findings	
CACI population calcs version for Jacobs.xlsx	Check proportion of properties matched by CACI	No issues found :0.85% of properties not matched, with unmatched properties assigned company average occupancy rate.	
CACI population calcs version for Jacobs.xlsx	Check proportion of alignment between CACI and Qlikview report	No issues found : 0.02% of properties not matched so 99.82% of properties sent to CACI.	
CACI population calcs version for Jacobs.xlsx	Check trend in occupancy rates	Occupancy rate trend and UK migration trend align, with pick-up post COVID	
Completion of APR26 Tables 4R.28-32	As these lines are reported at the company level we checked that: • Values for the South Staffs region were calculated using the new methodology • Values for the Cambridge region were taken from the WRMP. • The measured/unmeasured spilt was based on the measured/unmeasured property split in each region. • We asked the team the basis for the non-resident population being zero,	No issues found, The team explained that the non-resident population is zero. This is because, in the APR tables these values are directly linked to the PCC calculations, and as the non-resident population has not been used in previous calculations of PCC, a value of zero has been entered to keep the calculations consistent. This is clearly stated in the company's commentary.	
Sample Checks – approach			
Sample checks on data not relevant, the team has focused on validating the final values, and the recent trend.			
We sample checked the following items back to source:			
Unique identifier	Source of data	Details of check	Findings
2025-26 calculation	CACI population calcs version for Jacobs.xlsx	Manual check total population: Population in matched properties = 1,496,496 Unmatched properties = 4,900 at 2.61 = 12,789 Population in unmatched properties = 1,509,285	We asked for clarification on the difference between CACI average matched occupancy rate of 2.61 vs. total occupancy rate of 2.74. Company explained this is due to the CACI value including void properties but is calibrated to regional population estimates. When void properties are excluded, it increases the occupancy. Not material as it is the population totals that are used for APR reporting.

APR26 Full-year Data Assurance Feedback

4R.28-32	CACI population calcs version for Jacobs.xlsx	Checked company total (828,147) matches the sum of South Staffs region (new method) and Cambridge region (WRMP). Checked the split measured/measured by applying measured/measured ratio in each region. Confirmed reason non-resident population was zero (see above)	No issues found.
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Detailed Observations to justify assurance decisions

To enable a person not involved in audit to understand the risk scores allocated above. Include screenshots and document references as appropriate.

Additional Notes

None

Record of Evidence Reviewed

List of all documents reviewed as part of the audit:

1. APR Properties lines 202526 final - with highlighted lines for population.xlsx
2. CACI population calcs version for Jacobs.xlsx
3. Info from CACI - Household Occupancy Model 2026.pdf
4. Narrative draft v1.docx
5. Qlikview data script.docx

Screenshots – reported data

Line description	Units	DPs	Water	Wastewater	
Population data					
Resident population	000s	3	1882.305		
Non-resident population (wastewater)	000s	3			
			Water		
Household population data	Units	DPs	Resident population	Non-resident population	Total
Household population	000s	3	1882.305		1882.305
Household measured population (water only)	000s	3	1054.158		1054.158
Household unmeasured population (water only)	000s	3	828.147		828.147

Screenshots – other evidence

Split measured unmeasured SST		
	Props	Pop
Meas props	277074	760518
Unmeas props	272793	748767
		1509285

Split measured unmeasured CAM		
	Props	Pop
Meas props	109876	293640
Unmeas props	29703	79380
		373020

Split measured unmeasured TOTAL		
	Props	Pop
Meas props	386950	1054158
Unmeas props	302496	828147
		1882305

SST				
	Props		Pop	
M	277074	50.4%	760518	
U	272793	49.6%	748767	
	549867		1509285	
CAM				
	Props		Pop	
M	109876	78.7%	293640	
U	29703	21.3%	79380	
	139579		373020	
Company				
M			1054.158	4R.31
U			828.147	4R.32
			1882.305	4R.32

Additional screenshots provided in Summary Findings.

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APPENDIX 2: Business demand evidence of collaboration (annex 2 forms)

Annex 2 PR24 business demand performance commitment

Evidence of collaboration with retailer or third party to deliver water efficiency / demand deductions

HighLow

Purpose

This document sets out the options South Staffs Water has explored in collaboration with HighLow to deliver water efficiency / demand reduction. It shall be returned to Ofwat with the company's annual performance report in accordance with the requirements of the company's business demand performance commitment definition.

Part A sets out the details of the options explored. We expect the company to invite, using Part B, every retailer or third party that has engaged with to provide comments. The company should use one form per retailer / third party for all collaboration efforts within the reporting year. Where the company does not evidence its efforts, it will not be eligible for outperformance payments.

Part A: Details of operations explored

Table 1 sets out the options that have been explored and the outcome of those activities. The examples set out in the table are for illustration. The company may adjust the table to better reflect the activities it has undertaken.

Table 1: description of collaboration activities and outcomes

	Collaboration activity explored	Outcome
(1)	Engagement with retailer/ third party to develop initiatives	
(a)	Discussed where high users were in our region and identified sites for water audits.	Funded a project to complete water efficiency audits and encourage customer resolutions. On site water audits identified a range of issues from internal wastage to supply pipe leakage. Following advice, customers addressed these issues to reduce the significant bill impacts.
(b)		

(2)	Regular liaison platform with retailer/ third party	
(a)	[Please provide detail of option explored / activity undertaken]	
(b)		
(3)	Promoting direct communication between retailer and customers	
(a)	Engagement was sent to relevant retailers prior to completion of water audits.	Project completed as above.
(b)		
(4)	Other	

Part B: Retailer / other third party statement and further comments

I confirm that Table 1 accurately reflects the engagement that HighLow has had with South Staffs Water, and the outcomes of that engagement.

Table 2 sets out my further comments.

Table 2: Retailer / other third party's further comments.

The collaboration between South Staffs and Highlow Water has resulted in some great water savings in both the South Staffs and Cambridge areas.

South Staffs provided a comprehensive extract of metered consumption data, including a rich read history. This data is essential for our analysis.

They also went above and beyond and supplied 15 minute logger data where available for their NHH properties. This is useful to pre-diagnose problems and to show customers to get them bought into the fact they have a water wastage problem.

This data enabled us to filter 41,000 NHH properties down to just 17 non-household properties wasting 0.485 ML/d.

Most customers have been happy to make the repairs themselves. The three that are stuck have been passed back to the Water Reg teams at South Staffs & Cambridge to try to encourage further savings. This further collaboration will hopefully generate further savings.

All in all South Staffs have been a great company to collaborate with on this project and I hope we can do further work in the future.

Name: Ben Beattie

Position: Director

Business contact details:

Ben Beattie, Highlow Water, ben.beattie@highlowwater.com, 07765006574

Annex 2 PR24 business demand performance commitment

Evidence of collaboration with retailer or third party to deliver water efficiency / demand deductions

H2OIQ

Purpose

This document sets out the options South Staffs Water has explored in collaboration with H2OIQ to deliver water efficiency / demand reduction. It shall be returned to Ofwat with the company's annual performance report in accordance with the requirements of the company's business demand performance commitment definition.

Part A sets out the details of the options explored. We expect the company to invite, using Part B, every retailer or third party that has engaged with to provide comments. The company should use one form per retailer / third party for all collaboration efforts within the reporting year. Where the company does not evidence its efforts, it will not be eligible for outperformance payments.

Part A: Details of operations explored

Table 1 sets out the options that have been explored and the outcome of those activities. The examples set out in the table are for illustration. The company may adjust the table to better reflect the activities it has undertaken.

Table 1: description of collaboration activities and outcomes

	Collaboration activity explored	Outcome
(1)	Engagement with retailer/ third party to develop initiatives	
(a)	Discussed opportunities to co-fund water efficiency refits across NHH users that H2OIQ work with.	Funded a project to complete water efficiency retrofits at over 100 NHH properties through hotels, coffee shops and supermarkets.
(b)		

(2)	Regular liaison platform with retailer/ third party	
(a)	[Please provide detail of option explored / activity undertaken]	
(b)		
(3)	Promoting direct communication between retailer and customers	
(a)	H2OIQ liaise with the retailer on our behalf ahead of the project.	Project completed as above.
(b)		
(4)	Other	

Part B: Retailer / other third party statement and further comments

I confirm that Table 1 [**accurately reflects** / does not accurately reflect] the engagement that H2OIQ has had with South Staffs Water, and the outcomes of that engagement.

Table 2 sets out my further comments.

Table 2: Retailer / other third party's further comments.

N/A

[For example, comments may cover further detail in relation to:

- the collaboration activities;
- how useful you found the collaborative experience; and
- any other things that you think the water company could do to help you reduce your water consumption.]

Name: Jon Wattam _____

Position: Director of Operations _____

Business contact details: jon.wattam@h2oiq.co.uk _____

Annex 2 PR24 business demand performance commitment

Evidence of collaboration with retailer or third party to deliver water efficiency / demand deductions

Wave

Purpose

This document sets out the options South Staffs Water has explored in collaboration with Wave to deliver water efficiency / demand reduction. It shall be returned to Ofwat with the company's annual performance report in accordance with the requirements of the company's business demand performance commitment definition.

Part A sets out the details of the options explored. We expect the company to invite, using Part B, every retailer or third party that has engaged with to provide comments. The company should use one form per retailer / third party for all collaboration efforts within the reporting year. Where the company does not evidence its efforts, it will not be eligible for outperformance payments.

Part A: Details of operations explored

Table 1 sets out the options that have been explored and the outcome of those activities. The examples set out in the table are for illustration. The company may adjust the table to better reflect the activities it has undertaken.

Table 1: description of collaboration activities and outcomes

	Collaboration activity explored	Outcome
(1)	Engagement with retailer/ third party to develop initiatives	
(a)	Discussed opportunities as part of MOSL TAG - weCB fund	Wave submitted 5 ambitious bids for a total value of £500,000, targeting some of the largest using sectors in Cambridge including retail, restaurants, pubs, offices and higher education.
(b)		

(2)	Regular liaison platform with retailer/ third party	
(a)	[Please provide detail of option explored / activity undertaken]	
(b)		
(3)	Promoting direct communication between retailer and customers	
(a)	Collaboration to support Wave's Big Blue Eco Booster Eco project in schools across the Cambridge region.	Initial investment of £35k to visit at least 20 schools.
(b)		
(4)	Other	

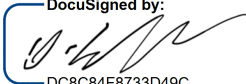
Part B: Retailer / other third party statement and further comments

I confirm that Table 1 [accurately reflects the engagement that Wave has had with South Staffs Water, and the outcomes of that engagement.

Table 2 sets out my further comments.

Table 2: Retailer / other third party's further comments.

Wave has been working proactively and collaboratively with many Wholesalers across the market and we class Cambridge Water as sitting in the top tier of truly collaborative organizations within the industry, we enjoy and open and productive dialogue and are incredibly excited to have them as part of our Big Blue Eco Booster Project.

DocuSigned by:

DC8C84F8733D49C...

Name: _____

Position: Director of Water Efficiency Services

Business contact details: oshelley@wave-utilities.co.uk
