

BUSINESS PLAN 2025 TO 2030

PRT04 DELIVERING FOR OUR CUSTOMERS AND COMMUNITIES



CONTENTS

1. At a Glance	3
2. Document Map	4
3. Delivering for Our Customers and Communities	5
A. Tailoring our vision and values to deliver strategically.	5
B. Engaging with our customers and communities.	7
C. Delivering value	10
D. Our additional public value	20
4. Governance and Assurance	37
PRT04 Appendix	39

1. AT A GLANCE

Delivering through working together.

This document provides a clear overview on how as a company we will work in partnership with our customers, stakeholders, and communities to deliver Public, Social and Environmental Value in all that we do. It will particularly provide insight on how we will deliver value through this Business Plan, the AMP8 period and beyond.

Our approach to community partnerships is a long enduring approach for us as a company and we will continue working hard to deliver through our proven collaborative approaches.

It particularly influences our delivery approach in:

- Environmental management
- Carbon and net zero roadmap
- Community partnerships

The main elements of the plan have been informed through the business-as-usual work we already undertake with our community partners and stakeholders as well as with our customers, through our embedded engagement strategy. This particularly informs our net zero plan which delivers reduced GHG emissions through our carbon reduction plans.

As part of our business plan it shows how we will continue to evolve and adapt the work that we do through;

- Enhancing our stakeholder mapping
- Further development of our teams in the area of sustainability
- Adapting our future leadership development to be focused on innovation
- Growing our partnerships

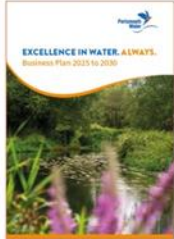
We set out our new net zero plan to align with the extended scope of Ofwat's performance commitment and have incorporated the new extended scope of chemicals and 'well to tank' emissions. Alongside this we will continue to understand our position based on our existing measure based on our original Public Interest Commitment.

We will reduce our emissions reportable to Ofwat by 1,842 tCO₂e. This equates to 22% from today's emissions.

Our approach delivering value ensures that we continue to collaborate, gain insight and deliver innovation through working with others. Maximising the benefits of our delivery as well as supporting community partners who may be better placed to deliver certain outcomes than we are.

2. DOCUMENT MAP

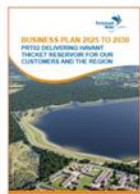
Business Plan to 2030



PRT01
EXCELLENCE IN WATER. ALWAYS.
Business Plan 2025 to 2030

For the full navigation plan and documents visit portsmouthwater.co.uk/news/publications/business-plan-2025-2030

Supporting Documents



PRT02
Delivering Havant Thicket Reservoir for Our Customers and the Region



PRT03
Engaging and Understanding Our Customers and Communities



PRT04
Delivering for Our Customers and Communities



PRT05
Delivering Outcomes for Our Customers



PRT06
Managing Our Resilience in the Long Term



PRT07
Our Investment Plan



PRT08
Delivering Our Investment Plan



PRT09
Securing Value for Money



PRT10
Innovation to Enhance Our Service Delivery



PRT11
Addressing Affordability and Vulnerability



PRT12
Accounting for Past Performance



PRT13
Aligning Risk and Return



PRT14
Our People



PRT15
Board Assurance

Vision and Our Long-Term Plans



PRT16
Our 25-Year Vision (consultation version)



PRT17
Water Resource Management Plan (revised)



PRT18
Long-Term Delivery Strategy 2025-2050

3. Delivering for Our Customers and Communities.

A. Tailoring our vision and values to deliver strategically.

Our vision is delivering excellence for our customers, our people, our environment and the communities we serve. We will deliver 'Excellence in Water Always and are committed to a sustainable future together'.

To support our ambitions in these areas we have already updated our Values to include Excellence, Integrity and Future Focus and these are already well progressed in embedding into our company culture.

We recognise that as a monopoly water provider of an essential service, we are in a privileged position. With that position comes a higher level of responsibility to consumers and businesses in our region than other types of companies.

Household customers don't choose their water supplier, so it is even more important that we not only listen to, but also work with our customers and communities to design and deliver the services they love and expect both now and for the future. Working with communities not only builds trust and satisfaction with our service but improves efficiency and effectiveness helping us to develop best value solutions that work for everyone.

As a company we strive to be sustainable. Yes, we want to make an appropriate profit for our shareholders but we believe that any return must be fair and based on high-quality performance. Being a sustainable company means we look not only to be profitable and 'do no harm' but also to maximise the benefits we deliver for society and the environment in the decisions we make while keeping bills affordable for all.

Looking to the longer-term, combining what we have heard from stakeholders and customers with our evidence of the changing context we will face, we have developed four priorities for the next 25 years:

Figure 1: Our vision and priorities



Our values and visions align to the United Nations Sustainable Development Goals which are a set of 17 interlinked objectives which are commonly used globally, and we believe it's important to demonstrate how we will play our part in contributing and delivering these aims. We want to help the communities in which we operate to thrive and to be recognised as a good corporate citizen.

We also know that what we achieve is important to the six Ofwat principles of public value which are:

- Principle 1** Companies should seek to create further social and environmental value in the course of delivering their core services, beyond the minimum required to meet statutory obligations. Social and environmental value may be created both in direct service provision and through the supply chain.
- Principle 2** Social and environmental benefits should be measurable, lasting and important to customers and communities. Mechanisms used to guide activity and drive decision-making should support this, for example through setting and using company purpose, wide external engagement and explicit consideration of non- financial benefits.
- Principle 3** Companies should be open with information and insights on operational performance and impacts (both good and bad). This will support stakeholder engagement, facilitate collaboration and help identify opportunities for delivering additional social and environmental value.
- Principle 4** Delivery of social and environmental value outcomes should not come at greater cost to customers without customer support.
- Principle 5** Companies should consider where and how they can collaborate with others to optimise solutions and maximise benefits, seeking to align stakeholder interests where possible, and leveraging a fair share of third-party contributions where needed. Companies' public value activities should not displace other organisations who are better placed to act.
- Principle 6** Companies should take account of their capability, performance and circumstances in considering the scope for delivering greater social and environmental value.

B. Engaging with our customers and communities.

We are a community-focused water company, with a strong history of supporting and maintaining good relationships with our customers. However, we know there is always more to be done to improve our engagement activity, the effectiveness of our partnerships and to build even greater trust and confidence in our services.

For us engagement isn't just about developing services that reflect the changing needs and priorities of our customers and our communities (though this is of course important). It's actually a key part of how we will shape and deliver our services efficiently and effectively as we head into the future. To meet our commitments for PR24 and longer-term, customers, businesses and non-government organisations all need to be inspired and willing to play a part in our shared sustainable water future, whether its reducing pollution and water use or referring customers with additional needs onto our Priority Services Register to get them the support they may need.

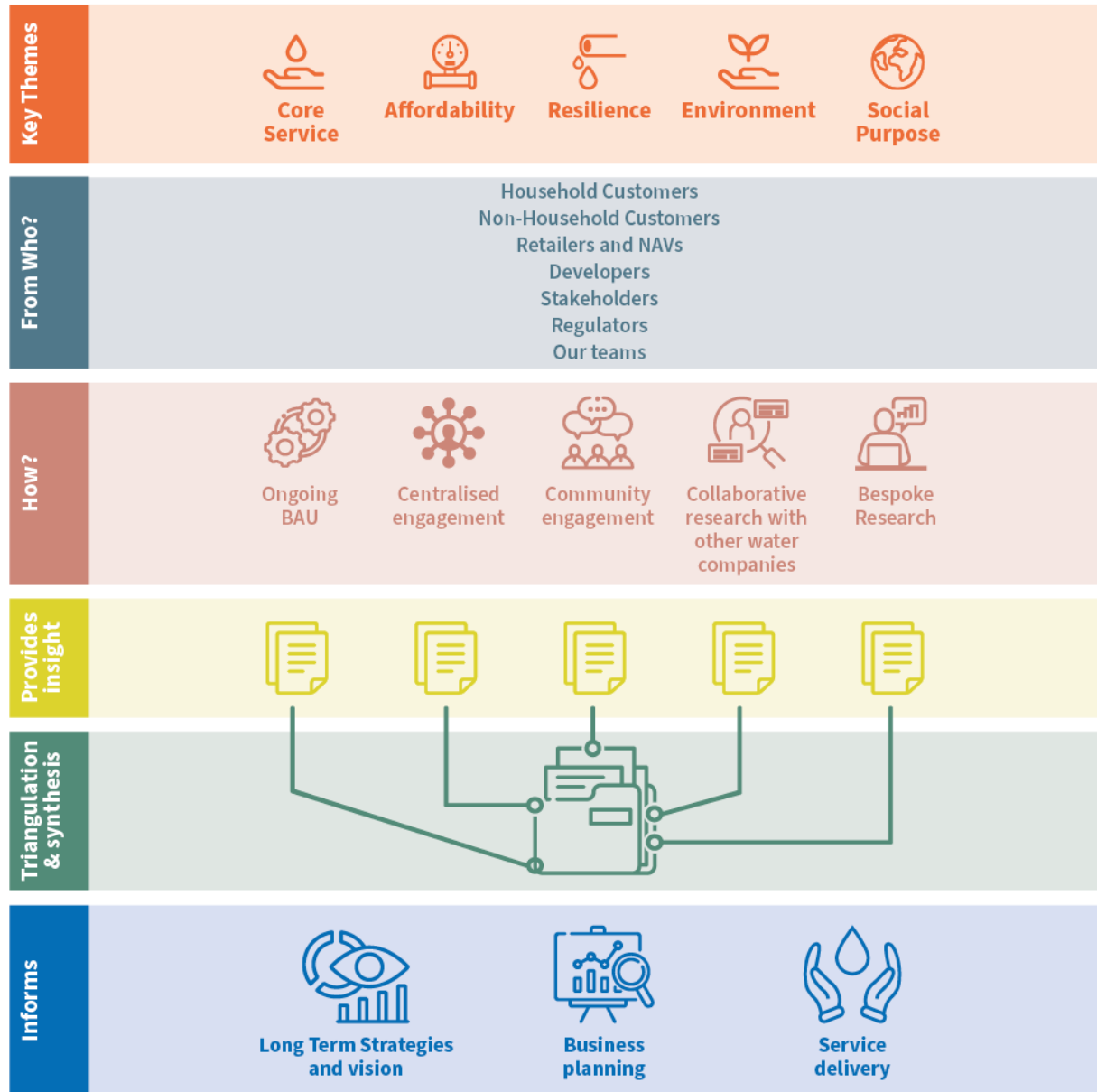


To help us improve our engagement and insight we have developed an engagement strategy. This was introduced to deliver further improvements on how we captured insight, enabling us to understand our opportunities in both business planning as well as service delivery. Our adapted approach was implemented in 2020 following feedback from Ofwat, CCW and our Customer Scrutiny Panel. We also made sure that it aligned with all regulator guidance that has been issued.

Our strategy enables us to engage with all relevant customers and stakeholders across a broad range of relevant themes, audiences and channels coupled with a robust triangulation process to ensure that we consider all of the insight and evidence base to develop the right outcomes in everything we do.

Our Engagement Strategy is shown below:

Figure 2: Our Engagement Strategy



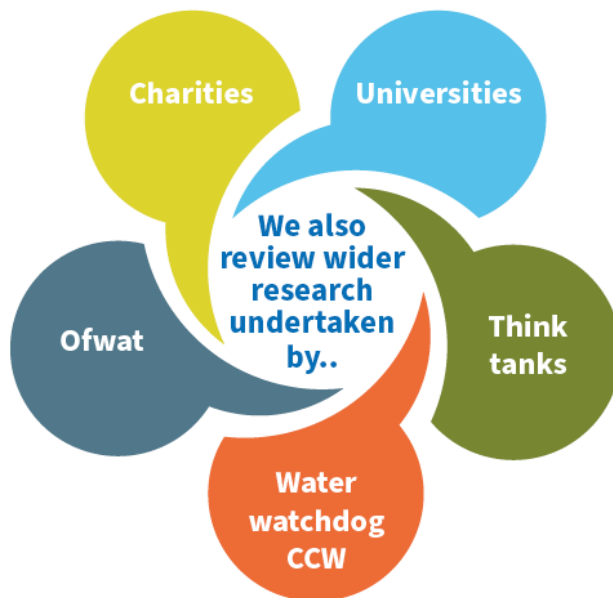
More on our engagement strategy and findings can be seen at PRT03 Engaging and understanding our Customers and Communities.

We have embedded a customer and community voice and challenge into our day-to-day decisions through our Customer Scrutiny Panel and undertake a range of business-as-usual engagements so that our stakeholder contact and support is continual - constantly improving our services.

Alongside this we undertake bespoke one-off pieces of research to better understand regional attitudes and needs on certain topics e.g. we undertook deep dive research with vulnerable customers to understand their priorities across our key themes and how we can improve our services to meet their specific needs.

We take steps to listen to and act on the valuable feedback from our own staff, their experience and learning, via for example our Future Innovators Board, and employee surveys. We also work with the Institute of Customer Services to achieve the ICS Service Check accreditation that not only surveys our customers on our customer service but also our staff teams as well.

Figure 3: Research Review



To be efficient with everyone's resources and time, we undertake collaborative research with others. This includes activity with other water companies in the South Eastern region, and nationally. We have shared relevant research and learning in relation to customers' priorities, impacts of customer messaging and affordability amongst many other aspects.

We also review wider research undertaken by charities, universities, think tanks, as well as by the water watchdog CCW and Ofwat among others.

In planning our services, we must think about the future not just the present. This involves actively horizon scanning future trends, risks and opportunities. This activity has actively informed our long-term goals and delivery strategies.

We don't always get our engagement and research right first time, but we aim to constantly learn and improve. To ensure we get the opportunity to learn we use three elements of assurance around our engagement which includes:

- Expert support around the best ways to research and obtain insight from our market research partners, Blue Marble.
- Process assurance across engagement strategy through our independent auditors, Jacobs.
- Triangulation and synthesis approach assurance through SIA Partners.

C. Delivering value

We developed Our Community Partnership in 2020 as a corporate strategy to draw together what we were already doing to work with the community and what we wanted to achieve. We consulted on this with our customers. The partnership is led by employees on our Future Innovators Team, which supports younger staff to give valuable input into the future role of the company.

Figure 4: Greener, Fairer, Safer

Under the partnership, we make pledges on the future, community, environment and core services and the purpose is to engage further with our communities, learn more about specific needs and create wider partnerships to help support these collaboratively.

Building on this we're introducing a framework to help structure our delivery of public, social and environmental value – **Greener, Fairer, Safer**.

This is based on our understanding of the expectations and aspirations of our customers and communities, as explored through our engagement strategy which continuously captures and reviews insight across our strategic themes.

We are using the UN Sustainable goals to help shape and inform our delivery plans.



Figure 5: Making our region Greener.



Source: UN Sustainable development goals

Reliable, and secure water supplies today and in the future.

Providing safe, secure and reliable drinking water is always a top priority for all of our customers. Our economies, livelihoods, wellbeing, and the environment all depend on a sustainable reliable supply of water. Historically we have delivered good levels of water reliability, exceeding performance of neighbouring water companies in the Southeast. Despite recent heat waves and droughts in the Southeast, no water restrictions were introduced for our customers, and we continued to go above and beyond statutory requirements by also supporting Southern Water's customers by providing water into the Hampshire region.



Our goal is to continue to maintain one of the best levels of performance for supply reliability in the industry while supporting the environment to thrive, today and in the future. We also want to continue to be a good neighbour to other companies like, Southern Water. But this is not straightforward. Defra supports our area being reclassified by the Environment Agency as 'seriously water stressed'. This classification formally acknowledges that without appropriate investment, there is a risk that the service customers receive for their water supplies could be significantly affected. Our customers each use an average of around 160 litres per day. This is 10 per cent higher than the national average of 145 litres. We're predicting we'll need to secure up to 76 million litres of additional water per day by 2050, due to increased demand and to replace water currently being taken from sensitive chalk streams. There are also a number of growing threats to water resilience, such as climate change and cyber security risks.

To support sustainable reliable water suppliers, we also aim to significantly reduce leakage and support households and businesses to play their part by reducing their water use. These are two areas where, despite improvements and in the case of leakage, projected upper quartile performance, we have not made as much progress as we would have liked in recent years and most customers and wider stakeholders support a significant increase in both our ambition and speed of improvements.



What customers and stakeholders have told us in this area.

Our customers and stakeholders have given us some clear views through our engagement strategy including feedback relating to our Water Resource Management Plan. Key insights tell us:

Customers say we can't expect them to play their part to reduce water use if we don't play ours—we need to support customers to use less water and prevent, find and fix leaks on their pipes and importantly accelerate activity to tackle leaks on Portsmouth's network. Fixing leaks on pipes is one of the highest priorities for everyone.

The majority believe climate change will have an impact on local environments. But panellists are much less convinced that in future people will adjust their behaviours to reduce water usage – underlining the challenge faced.

There's strong support to help homes and businesses save water. Attitudes towards water conservation vary dependent on knowledge.

Desalination and water transfers show the least priority due to the perception of being damaging to wildlife and energy intensive.

The link between water use and nature is not widely understood among uninformed customers. Reasons for saving water seem more generalised, with include 'reducing waste' and saving money, with barriers such as lifestyle, family size and attitudes hindering motivations to conserve and reduce water usage.

Customers' suggestions of how we could aid water saving include rewarding those who reduce their use, more prominent messaging, and demonstrating our efforts to fix water leaks.

Most customers support water recycling at Havant Thicket Reservoir as a reliable source of water and due to the positive community benefits – with some concerns about quality and safety.

Metering is supported, ahead of water recycling desalination and water transfers but there are concerns but there is hesitancy due to data sharing and anxieties around larger bills for vulnerable customers and larger families. Metering is not seen as the most urgent priority by customers.

Our customers also showed support for investing in technology and infrastructure to reduce water leakage and the use of grey water recycling. The majority of customers support water recycling due to the reliability aspect, however, customers show concerns over quality and safety.

Our focus across the plan.

Our commitments across the business plan help us to deliver reliable and secure water solutions with a particular focus on working in partnership with local community stakeholders including:

Find access to new water for our customers and the region more widely.

Ensuring that we have enough raw water without impacting on our existing raw water sources. Construct and fill the Havant Thicket Reservoir by 2029 to supply water to our customers and free up supplies elsewhere to share with our neighbouring water company Southern Water.

Potential to receive supplies back from Southern Water after 2049 so we can reduce the amount we need to abstract from previous chalk stream catchments.

We also plan to upgrade a water supply 'booster station' in West Sussex by 2030 so we can move water more easily to where it's needed.

Reduce interruptions, leakage, bursts and main repairs.

Saving water once in our network is critical for ensuring that we do not waste the costs of processing to produce, alongside the energy used in that treatment.

Our long-term delivery strategy ensures that in this business plan and beyond we have focused on ambitions up to 2050.

Investment in an enhanced programme of leakage monitoring, leak detection and repair. We will continue to use and explore new technology and techniques to identify leaks and make repairs to our network in a way, so that customers are not impacted by unforeseen events.

In recent years we have increased our detection resource, including using Satellite Imagery, Electronic Listening Devices, and AI enabled Acoustic devices. These techniques paired with our previous successful techniques such as our Acoustic Fixed Network, which has a network penetration of around 50 per cent, and our progress with our Digital Twin, will allow us to not only recover leakage, but reduce leakage to record low levels.

Reduce customer side demand.

Installing smart meters in most of the homes we supply by 2035 and replacing existing meters with smart ones will encourage water saving, help customers and us find leaks and introduce fairer bills.

Having already started our development of 1,000 meters and the necessary data management, we will then start in 2025–26 with an estimated 30 per cent additional households being installed from a baseline of 35 per cent. With a target of 96% smart meters by 2035.

This will be supported by a programme of communications and engagement to maximise water savings and efficiencies alongside a package of support for customers on low incomes and in vulnerable situations to ensure water remains affordable for all.

Smart metering is the tool best suited to help reduce our 'per capita consumption' which is currently the highest in the industry. Smart metering will play a crucial role in evolving our service to customers, help protect our environment and support customers to optimise their water consumption. The data will help us and customers to detect leaks quicker (both in the customers' homes, businesses and on our network), as well as better understand how water is being used across our supply area.

Alongside smart meters, we will support household customers to reduce personal water usage by 25 per cent by rolling out:

- A community reward programme to engage newly metered customers and all existing metered customers.
- Home audits for newly metered customers and all existing metered customers switching to a smart meter.
- Home audits for identified high water users.
- Provision of water efficient devices through orders placed online orders as well as part of our home assessments.

We will look to reduce non-household water use through assessments and leak detection for hundreds of high-water users, such as schools, colleges, and businesses. Specifically:

- An online engagement platform will also be available to all businesses by the end of the plan period and site leak detection will be offered to the highest 10 per cent of non-household water users (assessed by volume).
- Site assessments are also planned for all education establishments and will also be available virtually for small businesses.

We will leverage the benefit from Government action including introduction of water efficiency labelling on devices and appliances that use water, to further reduce average use to 110 litres per day.

Our innovative WATER LAB is a partnership with Kraken Technologies (a part of the Octopus Energy Group). The WATER LAB will engage across the water and energy sectors to develop and trial joint solutions particularly in areas such as energy and water efficiency that require customer participation. This approach will help our customers to not only save water but also link to the important element of energy costs where much greater financial savings can be made by customers. More about our WATER LAB can be seen in PRT10 Innovation to enhance our service delivery.

Our Carbon Net Zero Roadmap

We are committed to the achievement of net zero for our operational emissions as soon as practicable and quicker than the wider water industry commitments with an ambitious target to achieve net zero by 2040.

We are already making progress on our PR19 commitments which set out some of our long-term commitments on reduction through AMP7 and beyond with an ambitious in that landscape of achieving net zero by 2030.

Based on how we will be looking to achieve this commitment (with little cost to our bill payers) we have now realigned a roadmap that does not require additional cost for customers yet remains ambitious to delivering net zero by 2040 (just a 5-year delay).

We will look to beat this ambition wherever we can within the cost constraints within our Long-Term Delivery Strategy.

We recognise that net zero is an area where innovation will continue to play a key part and our ambition remains to bring forward our net zero challenge to the earliest point based on three key principles:

- We recognise the moral obligation we hold based on our position as a monopoly provider to achieving net zero and going beyond in the future to a net positive position.
- This needs to be delivered at no extra cost to our customers as they have told us that the environment is important to them, but they cannot afford to pay for the challenges currently.
- We will be a 'fast follower' of technology enable us to quickly adapt our delivery to positive changes.

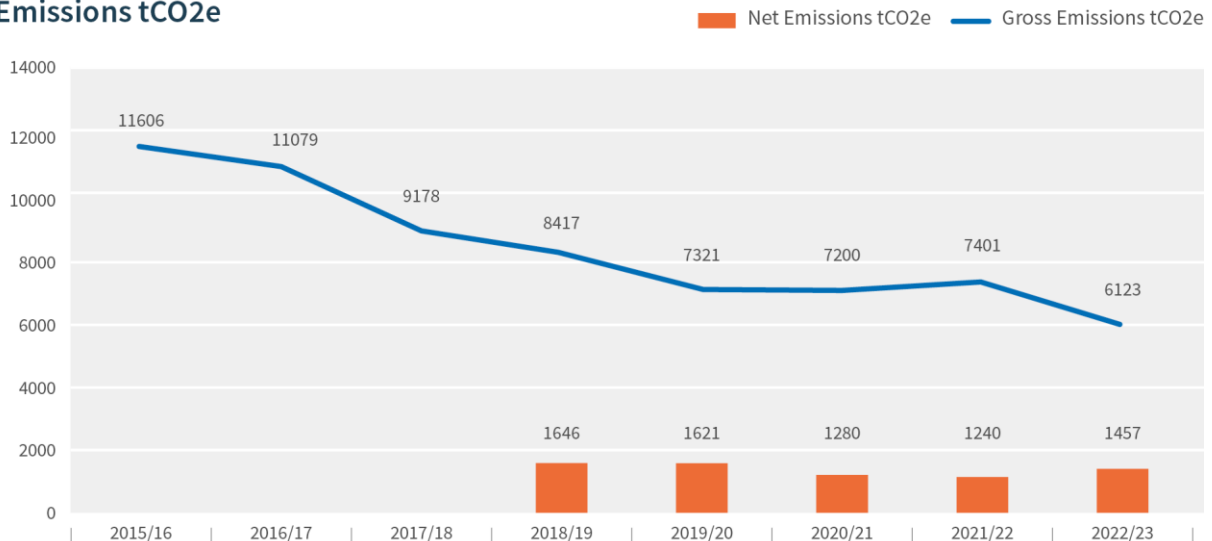
We will use these opportunities to provide a least cost approach to fulfilling and beating our net zero ambitions. As we create this plan progress towards net zero so far has been:

1. **Development of emission efficiency software** - This has been developed but there have been challenges relating to the risks around automation. Alongside this we are rolling out another product on a localised basis targeting 5 per cent efficiency per site.
2. **Energy efficiency project** – With a target to deliver over 8 per cent efficiency over a number of sites in AMP7 - this is on track.
3. **Electric vehicle trials** – to inform our delivery plan we will continue with our plans to test the transfer of our current fleet to a 'Greener Fleet' through trialling different vehicle solutions to gain a greater insight into the best solution.
4. **Growing our range of local renewable energy** – not only do we grow our portfolio of locally sourced green renewable energy which is purchased through PPAs and often off grid. Alongside this we will grow our range of battery storage and continue to purchase energy obtained from renewable sources at over 90 per cent of our total consumption.

How are we doing?

Since 2015-16 we have been continually working to reduce our carbon footprint and from that time, we have already reduced our emissions by 47%.

Emissions tCO2e



Source is Portsmouth Water annual report 2022-23

So, what's our baseline target?

Our current plans show a clear trajectory for our 2050 vision and Long-Term Delivery Strategy.

We look at our footprint in two ways:

- View 1 is our performance against the Ofwat Performance Commitment
- View 2 is our performance against our original commitment scope of Net Zero (our Public Interest Commitment)

In terms of this business plan the performance is based on our proposed plan activities to deliver this important activity for our customers.

Where we will focus

We have chosen to link our 'fast follower' strategy to our net zero roadmap using the following approaches:

- Using the WATER LAB innovation that we have jointly founded with Kraken Technologies to drive innovative solutions in our business.
- Working with other water companies to better understand early adopter emission reduction opportunities which meet our principles and can be implemented at pace.
- Working with other utilities both through the WATER LAB and through other collaboration and benchmarking opportunities.
- Benchmarking outside of the utilities sector.

(a) Operational greenhouse gas emissions – reducing operational emissions in our delivery

Most of our operational emissions result from our electricity use and the main impacts of our emissions gap from 2035 onwards will result from:

- Energy consumption – residual grid emissions and other fossil fuel energy use.
- Fleet – associated with vehicles not yet transitioned to electric vehicles (EVs) or other low carbon options.
- Outsourced activities – not transitioning away from fossil fuels without additional measures.
- Business travel – the impact of transport for business purposes.

We will continue to activate the following strategic aspects to deliver our ambitious reductions by 2040:

(b) Decarbonisation - Transitioning our assets away from our reliance on fossil fuels.

This work will focus on the following business strategies:

Transitioning our own fleet - Whilst we are already undertaking trials to establish the correct vehicles and approach to implement, we will also learn from other in the industry with our close follower approach. This transition will be starting and being embedded over the next 10 years as we move to appropriate replacement vehicles or fuels.

We will be looking at rolling out a smart route management capability within the business which will particularly focus on functions within the business doing multi-visit activities in a day, examples include meter readers and void visits.

Heavy Goods Vehicle fleet and emergency generators - We will continue to look for innovative future solutions for managing our HGVs and will continue to benchmark opportunities against logistic specialists to ensure that we identify any opportunities to reduce emissions ahead of our target. We will continue with our longer term view of transitioning to a new future fuel such as Hydrogen to fuel our HGV fleet and emergency generators but in the interim we will look move towards solutions such as to Hydrotreated Vegetable Oil in the short term, followed by a potential conversion to Hydrogen in the future.

Supporting the transition of our grey fleet – We have started the journey encouraging those who contribute to our grey fleet to convert from traditional vehicles to electric vehicles. To support this, we have already installed EV chargers at our main Havant site and encourage our teams to convert through the provision of a fixed period of free charging daily.

In the period to 2030 we will be adapting as to how we can reduce our business miles across the company recognising that there are many adaptive approaches to delivering this ambition. Our key levers will be:

- **EV schemes** – Not only will we continue to expand our on-site charging capabilities for both our teams and site visitors, but we will also look at schemes that support our teams to switch their older vehicles for newer EVs. This is an evolving area which will be changing at pace. We will focus initially on those colleagues and roles that qualify for a company car or allowance and how these policies and incentives can be adapted to meet our current and future needs.
- **Other policies** – We will review our travel and mileage policies, looking at how other businesses have been able to support the behavioural change in their teams through active encouragement and adaptation fairly of company policies.
- **Alternative transport options** – Where our teams are doing occasional business travel we will look as to how we can support alternative options which includes:



- **Efficient driving practices** – Our analysis is telling us that we can make some reduction in miles and fuels usage through changing our culture and developing further our working practices which includes elements such as reducing the return to site requirements; improving our routing; and reducing idling times.

Energy efficiency – Across the business we will focus on improving energy efficiency. Examples of which are:

- **Building reliance on heat** – We will be looking to create a more efficient Head Office. Our current building is over 50 years old and needs maintenance as well as not being efficient in design or construction. We will be creating a new Head Office space by 2035 which will contribute significantly to our net zero plan. As a smaller water company this will provide a step change in emissions that are associated with our buildings. We will also consider how any future building refurbishment plans can adopt emissions improvements as part of that programme.
- **Abstraction** – We will continue to improve our catchment management partnerships that are focused on improving raw water quality. This results in reduced treatment requirements and a reduction in the energy in processing.
- **Network management** - We will continue to analyse and identify opportunities to run our network smarter including our pump management processes along with the learning that we will gain from our 2025-30 energy efficiency programme.
- **Reducing demand** – Our network energy costs directly relate to the amount of water that we use. As a water stressed area, we want to reduce our customers demand for water and we have a robust plan in place for delivering this change. This demand reduction directly impacts on the energy that we use as a company through reducing abstraction.
- **Adoption of emerging technologies** – We will continue to work with partners and our supply chain to identify the emerging opportunities in this area.

We will focus on delivering changes in the business which have a positive or balanced return on investment through our reductions in energy. Key areas that we will focus on are:

- Changes to our building heating systems that reduce energy use.
- Driving efficiency into the business across all areas through the launch of our vision as well as linking into our values DNA. This will include behavioural change science being applied to our own teams.

Securing long term renewable supplies - We will continue to enhance our 'green' renewable energy through partnering with renewable energy partners that will provide us with long term provision of green energy on our operational sites. Alongside this we will deliver enhancements to resilience through battery storage solutions and emerging opportunities.

In-setting - Where possible we will continue to identify opportunities to inset emissions through our genuine activities, including:

- Maximising the Havant Thicket opportunity
- Our continued work with partners around catchment management
- Other biodiversity projects

Our assumed outcomes relating to our carbon emissions

We have worked with our independent specialist, Optopia Limited, to develop several scenarios based on this business plan and our planned activities. This has established assumed emission reductions for our Net Zero roadmap that has driven both our Performance Commitment (view 1) and our wider net zero position (view 2 – Public interest commitment approach). See Appendix 1

In 2026-27 we see an increase in our footprint which results from additional processing activities which have been assumed in the plan which are being introduced to improve water quality.

View 1 Outcomes – The Performance Commitment

Our assumed performance is calculated based on our Business as Usual trajectory applying Ofwat's PC methodology.

This commitment is different from our view 2 performance reporting as it includes these primary changes:

- The scope of the footprint is much broader, and includes:
 - Well to Tank Emissions
 - Chemicals
- The reporting rules are stricter, meaning market-based emissions reductions cannot be used
- Emissions factors are fixed and do not allow for grid decarbonisation

As a smaller water company this provides significant challenges as our availability of land for insetting or processes challenges our ability to make significantly major changes to inset our current green energy purchases. Our plan to grow renewable energy solutions with long term green power purchase agreements, through solutions that de-risk for our customers through group company support will continue to input into our View 2 reporting.

Our view of our PC achievement through to 2030 is:

Years	2022-23	2025-26	2026-27	2027-28	2028-29	2029-30	2040	2050
tCO ₂ e	8,439	7,065	7,058	6,965	6,761	6,597	5,185	4,918

By 2030 we will have reduced our emissions by 22% from today reducing emissions by 1,842 tCO₂e. We will be focused on the identification of how we can bring forward the closing of this gap in residual emissions between 2035 and 2040 and how these residual emissions will be removed through innovation identified by ourselves, the water sector and global innovative solutions.

View 2 Outcomes – The Public Interest Commitment Approach

This trajectory is based on undertaking the same activities as delivers our performance commitment and through that different approach we will remove all emissions by 2040.

Years	2022-23	2025-26	2026-27	2027-28	2028-29	2029-30	2040	2050
tCO ₂ e	1,410	1,098	1,096	1,037	936	883	0	0

This PIC trajectory takes account of our usage of decarbonised green energy, which isn't featured in the OFWAT performance commitment.

What customers and stakeholders have told us

Our embedded engagement with customers and stakeholders has included what customers expect from us as a company.

We learnt the following key insights around delivering value:

- Environment was a high priority but with the current pressures of cost-of-living customers wanted and expected us to be focused on this area
- They saw that providing support to the environment was intuitive and appropriate for us as a company due to our direct link to the environment.
- We need to provide support to customers with financial or affordability vulnerabilities.
- Customers were prepared to invest more to deliver environmental improvements.
- Customers expected us to engage with the wider community.

D. Our additional public value

The Company is committed to ensuring compliance with all environmental legislation and obligations, carefully assessing the impact of its activities, especially construction projects, on the environment. This ensures that the impact of such schemes is minimised.

We have a statutory duty to consider conservation and biodiversity as part of our business activity. We operate in an environmentally sensitive area and we are committed to ensuring compliance with all environmental legislation and obligations, carefully assessing the impact of our activities on the environment, to ensure this is minimised.

As part of our wider commitment to improving the environment, we aim to:

- **Maintain and enhance biodiversity on our 44 operational sites** – This in addition to other land that we own will be at the heart of our delivery. Sites are in a variety of habitats including chalk downland, river catchments and coastal margins. Habitat management plans have been agreed for all operational sites and several other land parcels we own. We own one Site of Special Scientific Interest (SSSI) at the River Itchen Water Treatment Works, which we manage in conjunction with Itchen Valley Country Park. Through a Natural England High Level Stewardship agreement, we allow cattle grazing of the meadow to maintain the wet grassland habitat.
- **Meet and if possible, exceed the relevant common performance commitments** – Through the work that we are doing we will continue to deliver our strong performance on meeting the Performance Commitments that are set for the industry and we will continue to strive to deliver the following commitments:
 - Our Biodiversity PC
 - Our WINEP programme

We will continue to protect our region by delivering a number of existing and enhanced initiatives:

- Our [catchment management programme](#) looks to protect our water sources by working with farmers through a package of funding and support to then reduce environmental pollution in our catchments sensitive to nitrate levels. We work collaboratively to develop catchment and nature-based strategies and work delivery plans. For example, we are part of the Arun and Western Streams Catchment partnership on the river Ems to create and develop the River Ems Chalk Restoration Scheme. After completing baseline environmental assessments, a series of stakeholder task and finish groups will co-create a sustainable river restoration plan to be delivered over the next 25 years.

- We have just finished the second year of our Biodiversity Grant Scheme that provides £50,000 each year to organisations that want to maintain, improve existing or create new biodiversity projects. Examples of such projects include creation of dew ponds, restoration of a wetland and eradication of invasive non-native species on the River Itchen.
- Delivery of the environmental improvements required under the National Environment Programme.
- Continue to support the development of Ofwat innovation projects in both leadership or collaboration roles.
- Resourcing – ensure that we have the appropriate skills and training support to help the region deliver its environmental challenges both now and in the future. We will look to see how this can be delivered through our people plan as well as collaborating through our relationship with the University of Portsmouth.

In AMP8 we will focus on ensuring that we achieve our performance commitments relating to the areas of:

Biodiversity – conserving and enhancing the biodiversity in everything that we do. This includes understanding our wider land-holding including the entirety of the sites we own (not just operational areas), watercourses and hedgerows.

This improvement includes maintaining and improving at least 90 per cent of our sites including the wildlife that resides on them.

Through the delivery of our ambitious Havant Thicket reservoir programme we have and will continue to develop a positive impact on biodiversity through a number of routes in our plan:

- Overall our plans directly contribute to the Government’s objective to reduce the damaging abstraction of water from an area declared as “water stressed”.
- It enables us to support our neighbours Southern Water when we are currently classed as only moderately water stressed.
- Makes the whole South East region more resilient to droughts in the future.
- Will provide a new wetland area of 10-hectare as well as wildlife habitats which are sustainable. We will create a diverse ecosystem connecting habitats on the site using existing on-site materials as much as possible.
- Whilst we have had to remove existing woodland (12.5 hectares) we are replanting at least 110 hectares of woodland and grassland (most of it being close to the reservoir).
- We will also make improvements to the Hermitage Stream in Havant.



Our catchment management plan continues to focus on working with local land owners and the farming communities to reduce the impact of activities on water sources we rely on.

We have focused on continual development of our community partnerships to help deliver this and we explain more about this work and its contribution later in this document.

Supporting biodiversity and wildlife through sustainable water supplies.

Our goal is to leave the environment in a better condition than we found it, while improving resilience to drought and minimising interruptions to water supplies. We want to support the environment to be more resilient to climate impacts including heat waves, increasing droughts, while at the same time, reducing reliance and impact upon the chalk-based environment that characterises our supply area.

Within our supply area there are a series of areas that are of vital importance to nature and wildlife conservation, such as rare chalk streams, a large expanse of coastline including protected marine harbours as well as, Sites of Special Scientific Interest such as the South Downs National Park.



The water catchments in our supply area are designated as 'over-abstracted' within the Environment Agency's Catchment Abstraction Management Strategy and there is no scope for increased abstraction. Climate change is leading to hotter drier summers, milder winters and more frequent extreme weather events. This coupled with increased water demand and changes to land use could put sensitive environments, such as chalk streams and wildlife that depend on them, at risk. 100 per cent of our water comes from chalk-based sources – 62 per cent of our water comes from boreholes and wells, 27 per cent from groundwater springs and 11 per cent from the River Itchen. Our abstractions influence the Itchen, Meon, Ems and Lavant chalk streams and rivers.

We already go "above and beyond" to support the environment by maintaining and enhancing nature, as well as undertaking biosecurity work on our sites. We deliver 'on the ground action' catchment programmes to protect and improve drinking water quality, as well as look after the quality of local rivers and coastal waters, but we know we need to continue in this commitment given the biodiversity crisis and challenges the environment faces.

- Provide enhanced regional drought resilience by constructing and filling Havant Thicket Reservoir by 2029. This will supply water to our customers and free up supplies elsewhere to share with Southern Water. The reservoir will secure more reliable water supplies for the South East region and protect the environment. By using the reservoir to supply our own customers, we can share supplies from our other water sources with Southern Water. This will mean that Southern Water can reduce the amount of water that they take from the Chalk Rivers Test and Itchen in Hampshire. These rare and sensitive chalk streams are home to many species. It will also help cater for a growth in the population and housing and increasingly severe droughts that are predicted due to climate change.

Figure 9: Making our region Fairer



Source: UN Sustainable development goals

We are an integral part of the local community; proud of our close ties with the people we serve, having supplied drinking water locally for over 160 years. Most of our employees are also from the local area and care deeply about the region in which they live. We remain committed to the communities we serve through our community partnership which was first introduced in 2019.

Our goal is in that when carrying out of our day-to-day decision making and business activities we take every opportunity to work with our local communities to maximise public value from the decisions we make. This is to:

- Provide best value for consumers.
- Support the local economy.
- Support community resilience and health and wellbeing.
- Promote equity and inclusion.
- Build effective collaborations further building understanding of the value of water and trust in the water sector.

How we can do this is best illustrated by our approach to Havant Thicket Reservoir, where as well as providing vital water resources we are tapping into the site's potential to offer a host of wider benefits to the environment and communities – recreation, education, health, wellbeing and local employment and training.

Making bills affordable for all

We have the lowest customer bills in the water industry, with our average bill in 2023-24 being £117, against an industry average of £215. Whilst our bills are a smaller part of household costs, we understand the extraordinary pressures our customers can face with most recently high energy costs and wider inflationary pressures.

We have committed in this plan to support our customers several ways:

- **Innovative tariffs** – We will use tariffs to make sure that those customers who are high non-essential users pay for that usage. This will be enabled by our SMART meter programme alongside our new CRM system that will give customers enhanced access to information and data about their usage. We will ensure that consumer protection for those who need it are built into those tariffs.
- **Supporting water poverty** – We have continued with our commitment to ensure that we have a clear strategy for supporting customers who are in water poverty. Through this plan we will ensure that every customer will have a support mechanism to enable them to manage their payment challenge, including working with stakeholders in their region to provide 3rd sector support.
- **Helping our customers to reduce usage** – As part of our work with customers we will help our metered customers to keep their bills low through efficient usage. By providing this support we will also help them save additional money on their much higher wastewater bill as well as their energy ('Our triple promise'). Through using SMART data combined with our new CRM we will find new and exciting ways to engage with our customers. We will couple this with our innovative work we will do through our collaboration with Kraken technologies and the Octopus Energy Group with the WATER LAB. We will ensure that we can help customers to change their behaviours about water and energy usage providing gamification and incentivisation through our water efficiency programme. Alongside behavioural change we will support with physical interventions including the provision of retrofit devices for self-fitting or home visits for those customers that may struggle to fit these devices, such as vulnerable customers.
- **Providing a broad range of flexible payment options** – We will support our customers who may struggle to pay bills in full or with our standard payment options by providing more flexible options that are enabled in terms of value, frequency and payment channels through our new CRM.
- **An adaptive approach to our Social Tariff** – Our approach will be to support low income customers who are in water poverty through access to our support tariffs (particularly our Social Tariff). To help us adapt to the quick moving external climate we will review our approach to this tariff annually to identify any need for us to adapt. We anticipate that over this business plan we will support 27,500 customers with a forecast discount value of £4.6m over the business plan.

Investing in our people

The plan we have for our people reflects a continuing approach to the partnership that already exists between the company and the employees, and we have a great culture as an organisation where every colleague understands the importance of our role in the community. We all share in our successes in our ODIs as well as the service we deliver for individual customers.

What our people have told us.

We undertake regular employee surveys and they have identified 4 key areas they believe we should focus on:

 <p>Addressing any gender pay gap</p>	 <p>Create an attractive and inclusive employee value proposition.</p>
 <p>Develop an inclusive recruitment process which will attract diverse talent.</p>	 <p>Ensure that our ways of working reflect our ambitious commitment to diversity</p>

Our ‘Elevate’ group – To support our ambitions in this area we have already developed and implemented a new working group made up of colleagues from across the business which is designed to promote and raise awareness of our key issues in these areas.

Our Organisation and Development Programmes – Our ongoing approach to learning and development is designed to deliver a future fit organisation and workforce. It delivers the following key components:

- Re-designing roles as well as considering alternate workforce and service delivery models alongside the business functions.
- Continuing to deliver and further enhance our non-traditional training pathways which have been highly successful for the organisation.
- Ensuring our apprenticeships support our approach to STEM and the need to train for our highly specialist roles.
- Providing a leadership development programme focused on creating our leaders for the future. This includes continuing to deliver our ‘Innovated Future Leaders Programme’ who are a future leaders board and take responsibility for developing and delivering some of our strategic internal projects.

We will be reviewing and adapting our total reward strategy to capitalise on the great ESG work that we do and which we know is really important for our current teams and potential future team members.

Figure 10: Making our region Safer



Source: UN Sustainable development goals

This links significantly with making our region fairer but our business plan focuses on ensuring that our service delivers a safer environment which includes:

- **Our Lead pipe replacement programme** – we know that customers are concerned with health and wellbeing relating to Lead pipes on their supply pipes (customer side). We propose over the business plan to focus on replacing any identified lead supply pipes identified where vulnerable customers occupy (schools, nursing homes etc)

- **Priority Services Register (PSR)** – Over the last few years we have significantly grown our customer base who are registered on our PSR (currently 10.6% of properties). We will continue to grow this and anticipate that by 2030 we will have 14.5% registered. This will also include improving the services we offer during disruptions to protect the health and well-being of our customers:
 - Improved communications during disruptions that will reduce anxiety of our PSR customers and keep both vulnerable customers safe and their carers where applicable updated.
 - Provision of value add services that we can deliver through our SMART metering, for example alarms to family members when there is either unexpected high usage or alternatively no usage.
 - Using data shares to ensure that we support through our ‘tell us once’ approach for our customers with vulnerabilities.
- Our Havant Thicket reservoir plans will contribute to the health and wellbeing of the community through the opening up of an exercise network and access to a range of hobbies relating to wildlife and nature.

Our community partnerships delivering for all.

Community partnerships are something that we have embraced for many years to help us deliver not just to deliver our objectives but also to support others outside of the company delivering aligned outcomes.

From the grass roots of our organisation through to our shareholders all believe in supporting stakeholders to deliver for our communities and this means that the company goes beyond the aim of making a shareholder profit ensuring that societal benefits are considered in everything that we do.

In AMP7 we created “Our Community Partnership” as a corporate strategy to draw together all the great things we do to work with the community.



We remain proud to serve our community and we hope this is demonstrated through our commitment and our drive to continuously improve the way we work as a business and the services we provide to create a better region for everyone.

Launching our vision

When we created our 25-year vision for the business we saw a need to not only continue our collaboration but enhance our partnerships to not only meet our own objectives but also to contribute to the value we add in today’s complex society.

In our business plan we focus on “[connecting customers, communities and stakeholders](#)” which make up our communities with the world of water making our region “**Greener, Fairer, Safer**”.

What we have achieved so far

We have focused on several partner groups that we have been working with to jointly deliver value for both us and them.

This has already supported us in delivering across several key social areas.

The examples below give a view on how these community partnerships have supported our delivery in some key social and environmental areas.



Making the region Safer.

Engaging with those that may be in vulnerable circumstances in our region we know can be difficult. There are 18% of our region's population registered as disabled and over 20% of customers potentially eligible for our affordability tariffs.

Our insight and working with stakeholders have shown us that these customers will not always turn to us for help but instead identify with other local partners for support. Our ability to link with community partnerships ensures that we can provide our customers with support pathways outside of our own customer channels.

The Home & Well partnership is a collaboration with Citizens Advice Hampshire, Energy sector and local NHS.

Focused on customers being discharged from hospitals the partnership provides advice on-line about:



- Energy and water tariff advice
- Priority Service Registration (PSR) – a service that will ensure the patients will receive additional support should they receive a power cut or water shortage
- Income maximisation ensuring they are receiving all financial support to which they are entitled
- Providing a complete wrap-around and signposting service – referring to community and other organisations for a range of social issues

Delivering:

693
social tariff
applications for
Portsmouth

2,917
customers
provided
energy advice

3,092
customers
across
Hampshire

2,450
customers
provided with
benefits checks

We are members of the Portsmouth City Council collaboration **Live Well project**, focused on all customers in the area. The primary focus of the initiative is to support the community's health and wellbeing.



This partnership not only enables us to support our customers with PSR and affordability tariff advice, but it also promotes the link between water, hydration and health and wellbeing.

Sharing customer information relating to vulnerability and affordability through **Telljo**, a technology-based organisation that provides solutions for organisations to identify customer vulnerability.



Working in partnership to ensure that customers are registered on our PSR or when struggling to pay to have a suitable payment arrangement put in place or switched to an affordability tariff.

767
customers referred
for our support

Making the region Fairer.

UKHarvest is a not-for-profit perishable food rescue operation and education charity, eliminating hunger and food waste through:

- Redistribution of quality excess food
- Providing education
- Engagement with communities
- Inspiring innovation



Working together we provide support to customers many of whom purchase food from this organisation to both save waste as well as reduce their cost of living.

Future Innovators Team is a collaboration working with our companies leaders of tomorrow.

The group made up of developing team members delivered our previous Community Partnership strategy and published this across the business in 2021.



Making the region Greener.

We need to reduce demand in our area which can be challenging currently as two thirds of customers are not on a water meter. We can only achieve this through collaboration with our customers and we have trialled with our customers our **Leakbot** campaign which is focused on helping customers identify leaks on their own supplies.



Having asked 16,000 customers to take part 1,000 customers were issued with the Leakbot device and 800 were installed.

24%
of customers
had leaks

After 6 months demand
was reduced by
19 litres
per day

The aims of the Arun and Western Streams Catchment Partnership is to:

- Reach a shared understanding of the catchment’s priorities
- Facilitate delivery of the Catchment Plan
- Promote a community led approach to improving the water environment



As part of the partnership, we were a key partner relating to the River Ems had a WFD ecological status of poor and was failing for fish population and dynamics of flow. A number of factors were identified; low seasonal flow, manmade obstructions and a heavily modified (straightened) course. This project seeks to rectify these factors by;

- Augmenting flow
- Introducing fish passage easements
- Channel modifications
- To recreate a high-quality chalk stream capable of supporting a healthy and diverse ecology.



The Downs and Harbours Clean Water Partnership is taking action to tackle diffuse water pollution issues affecting the quality of ground, surface and coastal waters in West Sussex and East Hampshire. The Partnership is focused on reducing the amount of polluting nutrients, particularly nitrate, currently entering the water environment.



We have delivered:

Habitat improvement and connectivity - Improved biodiversity on our land including the planting of native trees, hedgerows, the creation of ponds, converting disused underground reservoirs to Bat caves, restoring chalk grasslands, as well as creation of Bat and Bird resting and breeding places.

The partnership aims to ensure that the rivers, lakes, groundwater and coastal waters of East Hampshire and West Sussex are protected and improved for current and future generations to enjoy, by:



- Protecting and improve the water quality for all by safeguarding groundwater sources used for public water supply.
- Reducing pressures on the ecology of local rivers such as the Meon, Wallington, Ems and both River Lavants
- Reducing algal growth in the Portsmouth, Chichester, Langstone Harbours and River Hamble estuary.

Semi-enclosed harbours are particularly affected by the excessive algal growth resulting from elevated nitrate levels in water and estuarine sediments. However, as a result of all the reductions in nutrients that have occurred over the last 20 years, we are now seeing reduced amounts of algae in several Solent estuaries, plus other encouraging signs of recovery.

Efforts to sustain this improvement are ensured through continued catchment management work.



Diffusing the Nitrate Time Bomb - As a company we rely on our chalk drinking water sources alongside our environment and nature. Nitrate pollution has been an ongoing threat for some time so working with Southern Water and the local farming community we have been able to focus all our efforts to provide efficient and rapid results to reduce nitrates.

Not only does the partnership provide us with data to enable us to model and predict nitrates it will also enable us to target reduction efforts and reduce the costs of treating nitrates in the water which is more costly.

Growing our relationships further

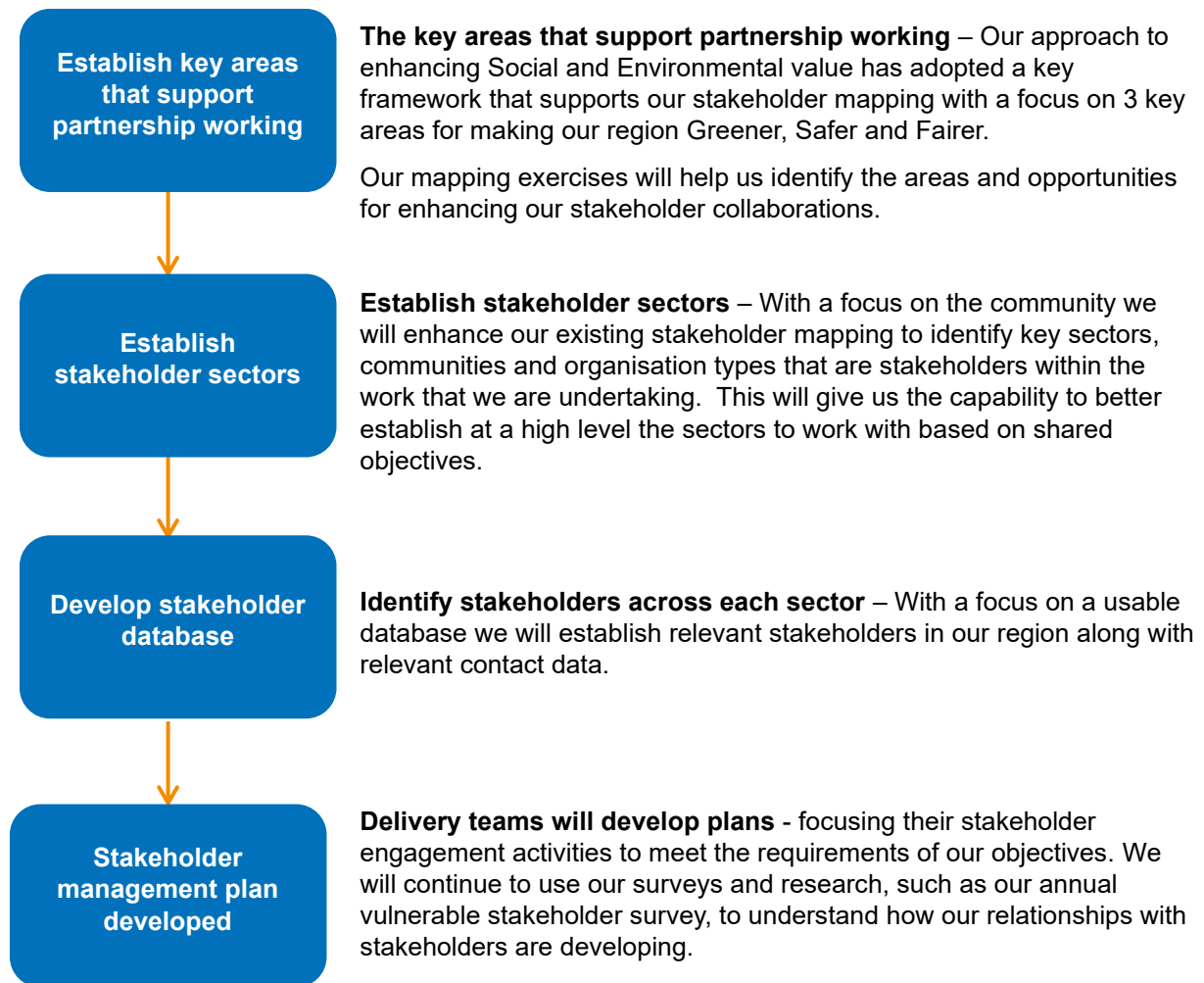
We recognise the need for continuing to develop our continuing partnership working with the community to help us both deliver our outcomes but also optimising the social and environmental value we deliver in our region.

We aim to continue to leverage collaborations across our organisation as part of our PR24 as we believe it delivers better value and more likelihood of outcome achievement through the involvement of others.

The partnership work that we undertake is broad reaching and continually evolving. It is critical that we continually understand our stakeholders and therefore we will be continuing with developing our stakeholder management approach spanning the business.

We will enhance a robust approach to stakeholder mapping that helps us to understand our changing communities and region – In AMP7 we began to develop the increased understanding of our regions, particularly in the areas of vulnerability and affordability, utilising our data skills and external data relevant to the subject. This approach will deliver significant benefits by helping to target and focus our activities.

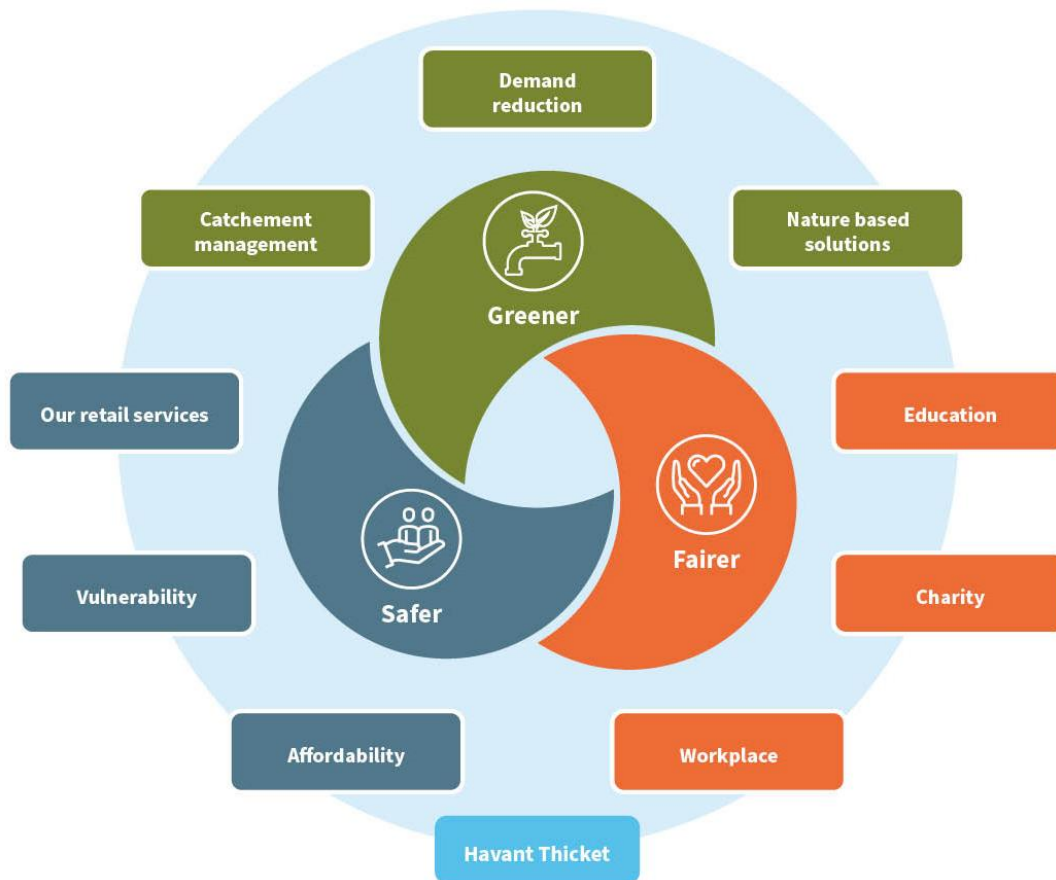
Stakeholder mapping is a key part of helping us to efficiently and effectively target our work to deliver best value in our activities and our adopted approach will allow us to establish how and who we can best engage with to help support our ambitious outcomes that we require.



Delivering with our Strategic Community Partnerships

We will target our focus on community partnership approaches that will deliver through our connections, our focus will be:

Figure 11: Strategic Community Partnerships



We have a strong plan in place that will help to deliver ongoing support to all our customers during the current cost of living impacts and beyond.

Our delivery plan focuses on key areas of; customer awareness, ensuring all eligible customers are supported, adapting and evolving our plans and enhancing value to our customers.

Our delivery plans will be annually focused on stakeholder sectors and consumer needs across a broader range of stakeholders.

Improving our service offering and learning from others - We recognise that there are many expert stakeholders working to support our joint customers in the region and they have access not only directly to our customers that they support but also a wealth of insight and ideas. We also have our own insight that will provide additional views and thinking for those stakeholders so it's right that we get more involved and share together.

We will do this through the **development of groups and forums** with stakeholders both regional and national partners. to enable us to test our delivery plans, performance and challenge our approaches. These forums will also help us to gather insight on the external environment from relevant experts outside of the company and industry whilst providing input and challenge to our delivery plans through external experts in our region.

This approach will help us to work with others to identify and spot opportunities, ensuring that we adapt and evolve to changing external factors.

These groups and forums will complement our existing work with our existing Independent Challenge Group, our **Customer Scrutiny Panel**.

Making the region Greener.

As well as the great work that we have been doing through our catchment management initiatives we will focus on how we can work together with local stakeholders beyond our catchment management work. We will particularly focus on engaging to discover innovation and solutions in areas including;

- **New build developments** – particularly supporting local developers in our area to explore the opportunities for water recycling and reuse.
- **Working with Wastewater providers** – to better understand opportunities for the re-cycling opportunities for wastewater that may support improving the region from a water stressed position or reducing abstraction costs.
- **Havant Thicket** – As the first reservoir to be built in the South East in 50 years, we want to make a real impact in supporting the whole region through the creation of this great resource. We have throughout the development of this solution worked with the community to maximise the opportunities that this great development brings and has resulted in the development of a memorial woodland to celebrate those who served in conflicts around the world.

Making the region Fairer.

With this workstream we focus on how we can really help the local community to thrive through further developing creating and engaging in partnerships which include:

Education we will be creating community partnerships that will help our future customers and current customers to have a greater awareness about water, usage and how customers can impact:

- Improved education through local partnerships such as our Staunton Country Park Partnership. This educates local children and families all year round on a broad range of topics including nature and the environment.

Educational resources – We will continue to enhance and develop our schools educational programme “Water is Life”, aimed at sharing knowledge of the world of water and try to help everyone understand how this precious resource really the key to all life.

Training we recognise is something that we can support our region through further enhancement of the skills in our region including through our own workforce. We will develop partnerships to focus on:

- STEM – Supporting local educators and groups to support entry in Science, Technology, Engineering and Mathematics roles and training
- Apprenticeships – Improving the skills and quality of work for our communities through providing high quality training and education to our current and future workforce

Supporting the **Health and Well-being** of the local communities through a broad range of initiatives:

- Green space and blue space – we will continue to identify where we are able to partner with local communities and businesses to create recreational areas for the community including the work we are doing as part of our Havant Thicket commitment

We will work with local communities to deliver in our Havant Thicket a place where people of all ages to stay active and healthy enabling them to learn more about water and wildlife as well as meeting as a community. This will include a green hub, play and picnic areas, birdwatching. Health activities will be encouraged for the community through a 5km network of paths for walkers, cyclists and horse-riders.

Supporting the **Economy** of our local communities.

- **Local suppliers** – we will develop ongoing partnerships with local businesses, ensuring that they are aware of the opportunities for us to work together. We will partner with local associations including Hampshire Chamber of Commerce and the Civil Engineering Contractors Association (CECA). We will also utilise relationships with local media to grow our local supplier network further.

- **Local employment** – Our Havant Thicket scheme will deliver key support to the the local economy (which is one of the most deprived areas of South East Hampshire. It will deliver 53 roles during the construction phase and 11 ongoing full time jobs.

We will target working with our teams to continue to make Portsmouth Water a “ Great place to work” and we will continue with our commitments to treat all of our employees fairly through :

- Equal opportunities employer
- National living wage employer
- Celebrating our teams through long service awards and great service celebrations

Making the region Safer.

Our approach of developing a broader understanding of our region and our customers through better mapping will help us to identify and create a new range of innovate partnerships helping our communities to thrive.

Increasing our analysis across deprivation, disability etc and mapping will help us to better target partnerships to regional needs and we will use our stakeholder and the regional mapping we will do to **better understand our regions needs** to target where support is needed.

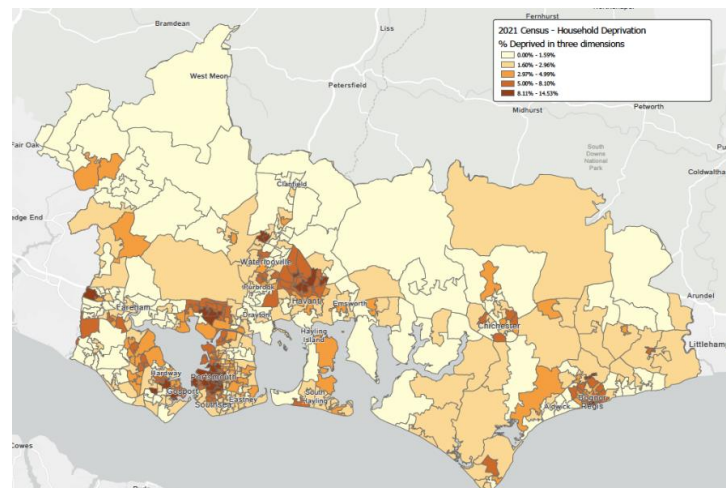
Developing a wider reach for our teams out in the community - We will not only continue to carry out the great work that our **Customer and Community Team** already do but we will extend the role of that team.

In addition to the teams focus on promoting our affordability and vulnerability support offerings, we will look to combine water efficiency (which is a key to helping customers reduce their bills) and create a team that can work with partners and the community across these connected themes.

We will develop and grow further partnerships ensuring that we can provide holistic solutions for our customers through those partnerships, and we will continue to develop to increase awareness and being able to better offer support and help our customers.

The mapping that we undertake will identify key customer segments that may need support so that we can design specific and tailored solutions.

We will also grow their partnerships and support in the areas of water efficiency and customers who are struggling to pay but not eligible for a support tariff including disabled consumers.



Through partnerships we will develop the ability to enable our customers who are working with the 3rd sector or other partners to enable them to seek support. During the AMP we will be developing the following integrated systems:

- 3rd party registration capabilities.
- Customer support hub including benefits checker.

Customer awareness and how they ask for support – Understanding the support that we can provide our customers is critical and we will continue to work with partners to ensure that there are touchpoints way beyond our own teams. Knowing the support we offer will mean they can signpost our customers to how they can easily gain our support. This not only relates to our affordability tariffs but all element of financial support such as payment breaks, flexible payment plans and our vulnerability support.

In our vulnerability and affordability work we will develop partnerships focused on reaching our 'hard to reach' customers. We will partner with organisations that have a direct frontline work with customers such as the ones below to enhance our connection with customers.



Developing a Community Hub – We know that our partners and customers struggle sometimes to register. Through a partnership approach we will develop our community hub as well as integrate with other external sector partners to provide support and signposting for our customers and local communities. We will provide access to income maximisation advice through the inclusion of a Benefits Checker and debt advice through organisation such as Money and Pensions Service (MAPS) enabling those partners whose purpose is not related to debt support to be able to seek support for end users.

Through **data share arrangements** we will focus on agreeing data shares with other organisations where we jointly supply customers, including with our local councils through the Digital Economy Act in relation to affordability, health and water efficiency. This will enable us to auto-enrol customers directly without the need for customers to have an awareness of the schemes or the need to apply. Alongside this work with local councils we will develop a partnership with Department of Works and Pensions which will focus on providing services to our customers.

Enhancing our retail service offering - Our new customer systems will provide us with a perfect platform for providing our community partners with access to customers whom they work with the ability to support our customers through accessing customer information with our customers consent. Like open banking in financial services we will be working hard to ensure that we enable our partners to better support our customers through immediate access to data.

We anticipate that partnerships in this area will be developed across the following sectors, including:



We will be working to see how we can improve our retail offering collaborating to continually improve the service offering to our customers, particularly linked to our compulsory metering roll out where 100% of our non-metered customers will get the **wow!** factor of a smart meter as there first ever water meter starting in 2024.

In addition, we will be linking our new customer application “Kraken” for all properties, whether metered or not.

We will be the first adopter of this system in the water industry, although it is well established with energy retailers. This will enable us to deliver:



- **Stunning visualisation** – A step change in our capabilities to present our customers and communities with data and information, not just in paper form but through our new digital platforms
- **Enhanced transformation of data** – It enables the integration of both our data and external data which brings us to the forefront of the industry.
- **Using data** - We will look to see how open data for customers can be utilised to benefit our customers, including linking energy and water use data together. We also look as to how we can integrate with other partners in this changing.
- **Streaming innovation** – Our new customer applications provide us with a state-of-the-art platform that channels AI and machine learning and an opportunity to step change our retail services with our customers. We will be setting up our ‘WATER LAB which will drive innovation with an agile approach.

Lead pipe replacement - We will help to deliver our support to communities through the removal and support for all high-risk customers (these include schools, Health facilities and PSR customers) by 2030. To achieve this, we will work with local community partners that have existing relationships with harder to reach customers who are likely to need support during this replacement programme.

We will ‘Keep us all safe and healthy’ – With our focus on ensuring that our customers, the communities we serve and the environments we work in are all delivered in a safe way. We will make sure we protect our teams through our ongoing commitment to delivering Health and Safety with our employee committee and achievement of RoSPA awards. We will also prevent colleagues from struggling through:

- Medical support and assistance.
- Wellbeing support (including support around mental health).
- First aid access and support.

4. GOVERNANCE AND ASSURANCE.

Production of this supporting document has been undertaken in accordance with internal governance and assurance procedures and processes.

This comprised initial drafting by an internal Lead Author, supported by external consultants, Optopia Limited, as appropriate, under the direction of an Executive Owner who retains Executive responsibility for the document content including robustness and accuracy.

The document has undergone three stages of internal review before being signed off by the Board:

- i. Executive Owner,
- ii. Nominated Executive,
- iii. Internal Executive Review Team including the CEO and CFO.

The Board has been engaged in the development of the business plan and its content through subject specific discussions at monthly PR24 Steering Committee meetings that have taken place since late 2021. Minutes of relevant meetings are included in PRT15 Board Assurance, Appendix PRT15.01.

PRT04 APPENDIX



PRT04 APPENDIX

[PRT04.01 - Optopia Carbon Report](#)



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