



**AffinityWater**  
Taking care of your water

# South East Strategic Reservoir Option

RAPID Gate 2 Submission

Supporting Technical Document D: Stakeholder  
and Customer Engagement

## Table of Contents

1. Introduction .....	3
2. An overview of previous engagement activity and the learnings .....	5
Introduction .....	5
Summary of activity prior to Gate 1 .....	5
Summary of activity to Gate 1 .....	7
Looking forward to Gate 2 .....	9
3. Gate 2 Engagement with stakeholders .....	10
Overview .....	10
Engagement as part of developing the SE regional plan.....	10
Consultation on the emerging regional plan .....	11
SESRO specific discussions.....	15
4. Gate 2 Engagement with customers .....	18
Overview .....	18
Customers' views on "Best Value".....	19
Customers' preferences on added value for large resource schemes .....	20
Customers' views on changing water sources .....	24
Wider research evidence.....	27
Challenging our approach .....	29
5. Next steps .....	30

# 1. Introduction

- 1.1 This document provides supporting information to the Gate 2 submission for the South East Strategic Reservoir Option (SESRO) Strategic Resource Option (SRO). It provides more detailed information on the engagement undertaken with stakeholders and customers to inform the feasibility and conceptual design for SESRO up to Gate 2. It includes an overview of the engagement activity, the main points of feedback from stakeholders and customers and how they have been considered in the on-going programme of work and development of the solution.
- 1.2 We developed our approach in line with RAPID's guidance for Gate 2<sup>1</sup>. We built on the stakeholder and customer feedback received prior to Gate 1, activity completed through Gate 1, the representations made to RAPID on the Gate 1 draft decision and direct feedback from RAPID and other regulators.
- 1.3 It is important for clarity, consistency and efficiency that the engagement activity to inform the development of SESRO SRO, as well as the other SROs, is coordinated with dialogue on the regional plans, company Water Resource Management Plans (WRMPs) and company PR24 Business Plan submissions. The customer and stakeholder engagement activities have been undertaken on that basis, to ensure there is a flow of insight through the process as illustrated in Figure 1.

Figure 1 Insight flow from customer and stakeholder engagement



- 1.4 We are committed to working in an open and transparent way and have worked to achieve this by:
  - Raising awareness on the challenge for water resources, the planning process and opportunities to contribute and input to shape long-term plans at a formative stage. This has included briefings, webinars, Q&A sessions, newsletters and consultations.
  - Engaging with a wide range of stakeholder organisations listening to feedback and taking it into consideration.

<sup>1</sup> Strategic regional water resource solutions guidance for Gate two, RAPID, April 2022 [https://www.ofwat.gov.uk/wp-content/uploads/2022/02/Strategic-regional-water-resource-solutions-guidance-for-gate-two\\_RAPID.pdf](https://www.ofwat.gov.uk/wp-content/uploads/2022/02/Strategic-regional-water-resource-solutions-guidance-for-gate-two_RAPID.pdf)

- Sharing information and providing updates to stakeholders, on the SESRO programme of work and the studies underway, and giving opportunity to comment, thus ensuring there are “no surprises”.
- Working closely with regulators and stakeholders as part of the Technical Liaison Groups. This approach has enabled discussion on all stages of the technical work from the definition of the scope of work and technical methodologies to review of the outputs at an early formative stage of work.
- Engaging with stakeholder organisations who have specialist technical knowledge, or a specific interest, to share relevant information and draw on knowledge and expertise.
- Engaging with our customers and communities through research, consultation and wider engagement activities.
- Targeted engagement with local communities in Oxfordshire to provide the opportunity for discussion and to respond to issues and concerns.

1.5 The structure of this document is as follows:

- Section 2 presents a summary of our learning from previous engagement with stakeholders and customers, which has informed our approach leading to Gate 2.
- Section 3 outlines our approach to engagement with stakeholders and reports on the activity completed and the main issues and risks to Gate 2.
- Section 4 presents the research undertaken with customers to inform the ongoing development of the solution.
- Section 5 sets out the next steps.

## 2. An overview of previous engagement activity and the learnings

### Introduction

2.1 A new reservoir in Oxfordshire has been considered for more than two decades and most recently, the reservoir has been promoted in Affinity Water and Thames Water's Water Resources Management Plans 2019 (WRMP19). During this period there has been extensive engagement with national and regional stakeholders, local communities, and with customers. We have a good understanding of the main issues of concern, and also points of support recognising the potential environmental, social and economic opportunities the reservoir could bring to the local area and the SE region. This knowledge is summarised in this section of the document, and is the foundation for the on-going engagement activity.

### Summary of activity prior to Gate 1

2.2 Affinity Water and Thames Water jointly promoted SESRO in their respective WRMP19s and both companies received a large number of representations<sup>2</sup> in respect of SESRO as part of the public consultations on the draft WRMP19. There were points made both in opposition to, and support of, SESRO.

- Comments in opposition focused on the long construction period and associated impact on the local community, local environment, exacerbation of local flooding, visual impact, and safety concerns. Whilst most opponents were opposed to a reservoir of any size in the proposed location, many cited the size and scale of the reservoir as exacerbating their concerns. These comments were mainly from the local community including Parish Councils, individuals located in the vicinity of the reservoir and campaign groups including Group Against Reservoir Development (GARD) and the Council for the Protection of Rural England (CPRE) – Oxfordshire branch.
- Comments in support of the reservoir focused on the role of the reservoir in increasing resilience to drought and in protecting and improving the environment including chalk streams, opportunities to improve local leisure and recreation, and to increase local flood resilience. The comments were mainly from river and angling-related organisations, some local authorities, as well as CCW and London First.

2.3 Customers have consistently stated that a new reservoir is one of their preferred new water resources schemes. Customers see building a new reservoir as an investment in the future, not only for securing the water supply for future generations but also for providing recreational and leisure activities for the local community. The idea of it adding positive benefits to the environment in terms of rejuvenating wildlife particularly appealed, and they felt that it seemed more 'natural' than some of the other potential water resource solutions, and less invasive. It was also liked for being a tried and tested option. The long period for construction and the impact on the local community during the construction was recognised and there was an expectation that the development would be undertaken with consideration of the community.

2.4 A summary of the main issues of concern and opportunities raised in relation to SESRO in the WRMP19 statutory public consultations are provided in Tables 1 and 2 respectively.

---

<sup>2</sup>Thames Water WRMP19 Statement of Response and Affinity Water WRMP19 Statement of Response

These were re-played at a stakeholder meeting<sup>3</sup> and attendees were given the opportunity to review the information and provide feedback on additional issues that needed to be considered ahead of further work being undertaken. The additional points raised are presented in Table 3.

Table 1 WRMP19 - Overview of main concerns raised in respect of SESRO

Issue	Description
Visual impact	The scale of the reservoir and specifically the height of the embankments. Opposition groups have drawn comparisons with Heathrow airport and electricity pylons respectively.
Environment	Negative impact on landscape and the character of the local area Large-scale and permanent loss of countryside, wildlife habitats and agricultural land Impact on the local micro-climate
Social & economic	Extended period of construction with associated disruption to the local community such as noise and dust; local road infrastructure; negative impact on health of local people Loss of farmland, homes & businesses Blight on property prices
Cultural heritage	Impact on archaeological remains
Deliverability/operation	Reservoir on this scale has not been built in the UK before.
Flood risk	Increased local flooding (various forms) due to building on the flood plain Damage to geology and aquifers underneath the reservoir Seepage from the reservoir
Resilience to drought	Challenge regarding its resilience to long droughts and climate change
Safety	Risk from collapse of the reservoir due to construction/engineering faults or an act of terrorism
Other	Local transport infrastructure insufficient to import/export construction materials and the railway network has changed since the proposals that were developed in early 2000s. Evaporation from the surface of the reservoir

Table 2 WRMP19 - Overview of main opportunities raised in respect of SESRO

Issue	Description
Economic value	Opportunities for the local community through job creation both during the construction period and once operational through recreation and tourism.
Resilience for public water supply	Increased resilience for security of water supply - essential for societal well-being and economic growth
Resilience for the environment	Increased environmental resilience including opportunity to reduce abstraction from vulnerable watercourses and chalk streams.
Net gain for the environment and biodiversity	Opportunities to improve the local environment, conservation, local amenity, and recreation.
Help to manage local flood risk	Opportunities to help reduce local flood risk, this is particularly relevant as the Abingdon flood relief scheme is not being progressed by the Environment Agency.

Table 3 Additional stakeholder feedback - October 2019

Additional points
<ul style="list-style-type: none"> <li>• Consideration of other sizes of the reservoir noting the range of growth and climate change forecasts.</li> <li>• Assessments to understand how the reservoir will be filled and the impact on the water quality in the River Thames.</li> <li>• Assessment of flood alleviation, consideration of the impact of climate change on flood, and interaction with other schemes such as the Abingdon Flood Relief Scheme</li> <li>• Assessment of the potential impact on the local geology and water-table</li> <li>• Information on the operation and maintenance e.g. drainage for repair</li> <li>• Opportunities to stop groundwater abstraction.</li> <li>• Opportunities for environmental and biodiversity net gain, including nature-based solutions.</li> <li>• Opportunities for renewable energy generation – Hydropower; Floating solar panels</li> <li>• Resilience – how to value the extra resilience this solution can offer.</li> <li>• Explore Natural Capital Accounting as an approach to assess baseline and alternatives.</li> <li>• Carbon assessment – carbon neutral</li> <li>• Financing and debt – cost to customer</li> </ul>

<sup>3</sup> Thames Water & Affinity Water, Water Resources Forum, 16 October 2019

## Summary of activity to Gate 1

2.5 The stakeholder engagement activity undertaken through Gate 1 was two-fold:

- activity to inform the development of the South East (SE) regional plan to ensure stakeholders understand how SESRO, and other solutions, fit within the strategic water resource planning framework.
- SESRO specific discussions focused on legal, regulatory and strategic issues which could prevent the scheme progressing or substantially change the design of the scheme. The engagement was primarily with regulators and strategic stakeholders and designed to be collaborative, with regular progress meetings. This approach facilitated agreement on the scope of the technical studies and methodological approaches<sup>4</sup>.

2.6 The Gate 1 submission to RAPID presented the approach and work completed. RAPID published its draft decision on the Gate 1 submission<sup>5</sup> on 14 September 2021, alongside the draft decisions for the other standard SROs. The draft decision determined that good progress had been made on all the assessment areas, with a number of actions and recommendations<sup>6</sup>. In summary these were:

- **Solution design** – Deployable output (DO) benefits from combined use of SESRO/STT with Thames to Southern Transfer (T2ST), conjunctive use assessments with T2AT and assessment of in-combination impacts.
- **Environment** - assessment of landscape and visual impacts and engagement with the Area of Outstanding Natural Beauty Board and carbon footprint assessments.
- **Drinking Water Quality** – ensure on-going dialogue with the company water quality teams on drinking water quality and risk assessments.

2.7 RAPID held a representation period on its draft decision for the standard SROs until 8 October 2021. In response to feedback, RAPID extended the representation period for SESRO to 19 November 2021. RAPID received 26 representations on its draft decision on SESRO. The representations were received from MPs, the Group Against Reservoir Development (GARD), the county, district and parish councils in the vicinity of the reservoir and their representatives, CPRE, a landowner in the vicinity of the reservoir and members of the public who live in close proximity to the proposed reservoir<sup>7</sup>. The representations raised concerns around the transparency of information and specifically the redaction of information in the regulatory submission, as well as comments on a number of technical topics. RAPID responded to the key points and issues raised. A summary of the topics and responding action, from a SESRO project perspective, is presented in Table 4.

---

<sup>4</sup> SESRO Gate 1 Submission Annex Customer and Stakeholder Engagement

<sup>5</sup> RAPID, Standard gate on draft decision for SESRO, September 2021

<sup>6</sup> RAPID, Standard gate on draft decision for SESRO, September 2021, Appendix Actions and Recommendations

<sup>7</sup> RAPID, Standard gate one final decision for SESRO, January 2022

Table 4 Overview of main topics raised in representations to RAPID on their draft decision on the Gate 1 submission and responding action taken by SESRO

Topics	SESRO Project Response and action
Redactions, transparency of information and the duration of the representation period	<p>The redactions in the environmental reports were reviewed and the reports were republished with limited redactions and explanations were provided for the remaining redactions.</p> <p>The representation period for SESRO was extended to give stakeholders additional time to review the republished reports.</p> <p>RAPID advised that Gate 2 submissions will be published in full including appendices and annexes. We have complied with RAPID guidance and are committed to continue to work openly and transparently.</p>
Deployable output assessments and stochastic flow data plus consideration of performance in drought	<p>More detailed assessments have been completed to assess deployable output, this has been verified by an independent external auditor, as part of the water resource management planning process. The stochastic assessments have been completed to comply with the Water Resource Planning Guideline. Further details may be found in Section 4 of the Gate 2 Report and in Supporting Technical Report A1: Concept Design Report.</p>
Carbon impact assessment to include embodied carbon	<p>Solution development to Gate 2 has complied with the Water Resources Planning Guideline which sets out expectations for accounting for, and reducing, greenhouse gas emissions with mitigations. This information has been included in the solution costs. The carbon assessments are published as part of the Gate 2 submission - Section 6 and in Supporting Technical Report A3: Carbon Strategy Report.</p>
Flood risk assessments	<p>We have been working closely with the EA to undertake more detailed flood risk assessment and a Technical Liaison Group has been established on this topic. The flood risk assessment is published as part of the Gate 2 submission along with further information on the safety aspects of the reservoir - Section 4 and Supporting Technical Report A1: Concept Design Report.</p>
Invasive non-native species (INNS)	<p>The risk of INNS has been investigated using the National Appraisal Unit's INNS tool to identify risk and mitigation measures. The INNS assessment is published as part of the Gate 2 submission. Further details may be found in Section 6 and in Supporting Technical Report B1 and B2: Environmental Appraisal Report.</p>
Water quality - algal growth	<p>More detailed water quality modelling including monitoring, testing, and identifying the potential need for mixing has been completed for Gate 2. Extensive computational fluid dynamic and algal bloom predictive modelling has been completed to inform the environment appraisal of the options and to confirm the concept design of the raw water mixing system. Further details may be found in Supporting Technical Report B1: Aquatic Environmental Appraisal Report. There has been engagement with water company water quality teams which has been very helpful to facilitate collaborative working with regulators on this topic.</p>
Reservoir fill risks, failure risks and adaptability	<p>Engineering, hydrological and geological assessments have been completed in Gate 2 and are presented in Sections 3 and 4 of the Gate 2 Report. The studies have shown that the reservoir is adaptable to future risks or shocks, in respect of resilience.</p>
Social and recreation benefits	<p>An initial conservation, access, and recreation strategy has been prepared as part of the Gate 2 assessments and is an important component as part of scheme master planning. A Technical Liaison Group was established to inform its development. The Master Plan at Gate 2 is shown in Section 3 of the Gate 2 Report, with further discussions on recreational and amenity benefit in Section 8. This is considered a starting point and there will be detailed further work which will involve engagement with stakeholders and the local community on the use of the reservoir site should the scheme progress to promotion.</p>
Landscape impacts – visual impact on local villages, with concern regarding the height and visual impact of the embankments, and the visual impact on the AONB	<p>An initial desk-based Landscape and Visual Impact Assessment (LVIA) has been completed for Gate 2. The approach has been designed in collaboration with the North Wessex Downs AONB Board and other stakeholders. Further details may be found in Section 6 of the Gate 2 Report and in Supporting Technical Report B2: Environmental Appraisal Report.</p> <p>Work has progressed to develop visuals and schematics to present the reservoir within its setting, thereby addressing key concerns from the local community. This will aid effective engagement with the local community regarding the visual impact of the reservoir and be a valuable tool to support further design work and engagement as part of this.</p>



Topics	SESRO Project Response and action
Construction impact on local people and businesses	<p>Initial desk-based assessments of key environmental impacts have been carried out for Gate 2, to inform initial planning of required mitigation and to inform the development of the initial scheme master plan. Further details may be found in Section 6 of the Gate 2 Report and in Supporting Technical Report B2: Environmental Appraisal Report.</p> <p>Detailed assessment of construction impacts including traffic impacts, noise and vibration, air and light pollution will be completed before submitting a Development Consent Order (DCO) application and there will be opportunities for engagement and consultation on this matter during Gate 3 and beyond.</p>
Environmental impact on habitats and species and delivery of BNG	<p>The environmental, BNG and natural capital assessments have been completed in line with RAPID guidance and WRMP24 guidelines supplementary guidance and are published in Section 6 of the Gate 2 Report.</p>
Challenge to the “need”. Proposed driver for the development is profiteering	<p>The need for solutions and the decisions on whether solutions ultimately go ahead will be made through water resources planning processes and subsequent applications for planning and environmental consents. There will be multiple opportunities to input feedback as part of consultations.</p> <p>Thames Water will not make a profit from the construction of the reservoir or the sale of the water from the reservoir. The current default option, set by Ofwat, the independent water sector economic regulator, for large infrastructure projects within the water sector is that they are built and funded through a “direct procurement for customers” approach. With this approach the reservoir, should it proceed to construction, would be built, and funded by a third-party company, selected through a competitive process subject to rigorous scrutiny by Ofwat.</p>
Lack of local consultation and with landowners	<p>At this stage the activity is focused on feasibility studies for SESRO, alongside the other SROs. If SESRO is taken forwards in the regional plan and in turn the draft WRMP24, there will be extensive consultation with stakeholders and customers, including local communities in the vicinity of proposed new infrastructure. This will still be at a formative stage of plan development and the views of stakeholders and customers will be given full consideration in the decision-making process.</p> <p>In respect of landowners, at this stage of solution assessment there would not normally be consultation with landowners. This will be a focused activity during subsequent project stages if the WRMP24 identifies the scheme in the preferred plan and the solution is taken forward for consenting. However, in view of the need for thorough and detailed environmental information, and due to legacy survey work, SESRO intend to engage with landowners to request access to land for ecological surveys.</p>
Insufficient ambition to reduce leakage or consider alternative solutions	<p>A wide range of solutions, both demand side measures and supply side measures, have been considered in the SE regional plan. All the SE water companies have committed to halve leakage by 2050. This is an ambitious commitment and will require innovation and new thinking to achieve it.</p> <p>WRSE has considered over 1,400 options in the development of the SE plan. All options have been assessed on a comparable basis and information on the options will be published as part of the SE regional plan and draft WRMP24s in November 2022.</p> <p>The need for solutions, and the decisions on whether solutions ultimately go ahead, will be made through water resources planning processes and subsequent applications for planning and environmental consents.</p>

2.8 RAPID considered the representations received in relation to SESRO and published its final decision<sup>8</sup> on 5 January 2022.

### Looking forward to Gate 2

2.9 We reviewed, and took account of, the feedback received from regulators, stakeholders and the local community, to ensure we had a robust understanding of issues and concerns, as well as opportunities, and this information informed the work programme through Gate 2. We remain committed to exploring and understanding the issues raised in relation to SESRO and to sharing the resulting information in a transparent and proactive manner.

<sup>8</sup> RAPID Final decision on SESRO, January 2022

## 3. Gate 2 Engagement with stakeholders

### Overview

- 3.1. Our engagement activity through Gate 2 built on previous engagement, taking account of issues and concerns raised by local communities and stakeholders, and was designed to:
  - fit within the regulatory process established under the guidance of RAPID
  - coordinate with regional and company strategic water resource planning activity to ensure a clear and joined-up approach for stakeholders.
- 3.2. Our approach has two main parts:
  - activity to inform the development of the SE regional plan to ensure stakeholders understand the approach, the planning challenge, the range of solutions identified and how SESRO, and other SROs, fit within the strategic planning framework; and
  - engagement with regulators and stakeholders on the scheme itself, working collaboratively, to develop the feasibility assessments and conceptual design of the scheme.

### Engagement as part of developing the SE regional plan

- 3.3. Water Resources South East (WRSE) is working closely with the six water companies in the South East region, and the wider stakeholder community, to develop a resilient water plan for the region. The regional plan will be reflected in the SE water companies statutory Water Resources Management Plans 2024 and the schemes included in the preferred regional plan will be included in the company's draft WRMP24s in a consistent and aligned manner. It is therefore important that stakeholders have an awareness of, and understand, the overall strategic planning process, the key decision points, and opportunities to contribute.
- 3.4. Engagement has been, and continues to be, a thread throughout the development of the regional plan. The engagement involves a wide range of water users – customers, businesses, other sectors and stakeholders – and aims to understand their priorities and preferences and to take these into account in decisions leading to the draft regional plan.
- 3.5. WRSE, and the member companies, have endeavoured to work openly and transparently, sharing information in a timely way, and across a range of channels and activities, to enable participation and ensure stakeholders are clear about why they are being consulted, the scope of the consultation and how that fits with the wider water resources planning landscape.
- 3.6. WRSE has established stakeholder groups to help guide the development of the plan. The groups are the stakeholder advisory board, environmental advisory group and the multi-sector stakeholder group. These groups meet regularly and minutes of meetings are published in accordance with our principles of open and transparent working.
- 3.7. In addition to these specific groups, WRSE has proactively engaged with the wider stakeholder community through meetings, webinars and consultations throughout the development of the SE regional plan. In addition, Thames Water and Affinity Water have continued to jointly host a regular Water Resources Forum to give stakeholders the opportunity to keep up to date, and contribute to, the discussions on the long-term planning.

3.8. In addition, WRSE has strong links with other regional groups to ensure the opportunities to share resources effectively are understood and fully investigated and to ensure a coordinated national water resources picture.

3.9. The WRSE engagement and consultation programme is hosted on a dedicated engagement platform Water Resources South East (engagementhq.com) and has three main phases:

- **Plan and prepare** – To 2020 the focus was on the “building blocks” of the plan. This included the development of the technical methods, approaches and tools that would be applied in the development of the plan for example the forecasts for future growth and demand for water; the environmental assessments; and the regional policies for the region. WRSE ran a programme of webinars and held topic specific consultations.
- **Develop** – During 2021 the focus broadened and set out the planning challenge for the region, shared information on feasible solutions, including the SROs, and the approach to determine the best value plan.
- **Consult and update** – During 2022 the focus moved to the plan itself. WRSE held an 8-week period of engagement and consultation on the emerging plan. In November 2022 a further round of consultation will be undertaken on the draft plan, alongside the statutory consultation on the draft WRMP24s.

3.10. WRSE produced a Stakeholder Engagement Report which summarised the extensive engagement and consultation activity that has taken place to date. The report was published alongside the emerging plan in January 2022<sup>9</sup>. Annex D.1 presents a summary of the engagement completed to date to support the development of the SE regional plan.

#### Consultation on the emerging regional plan

3.11. The engagement and consultation on the emerging regional plan took place between January and March 2022. The emerging plan gave early sight of the big issues and emerging solutions to gain initial feedback from stakeholders. As well as publishing documents for review and comments, a series of online workshops were held for stakeholders to provide an overview of the plan, the work to date and further work planned to transition to a best value plan.

3.12. WRSE, and the SE water companies, proactively raised awareness of the consultation on the emerging plan and took a range of actions to explain the plan and encourage wide participation. The activities included engagement with a range of organisations both ahead of, and during, the consultation, including:

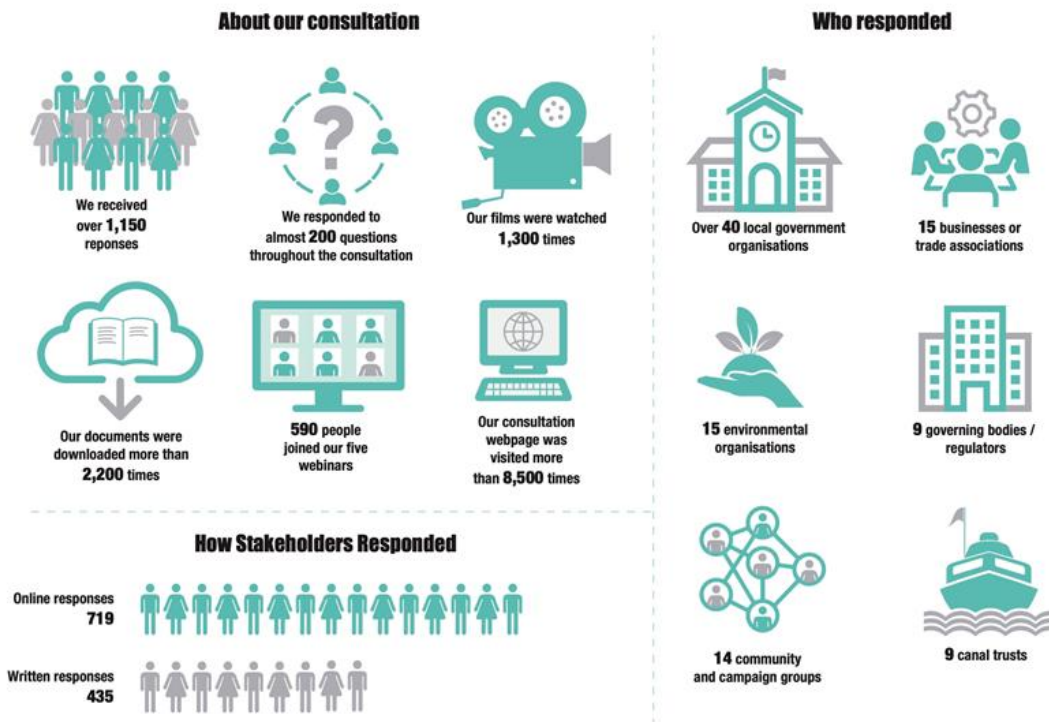
- Pre-briefings with several organisations including the Council for Protection of Rural England (CPRE), National Farmers Union (NFU), National Infrastructure Commission (NIC), Blueprint for Water and Consumer Council for Water (CCW) who in turn communicated the consultation to their peers and associations.
- Media, trade press articles and social media promotion
- Webinars and events throughout the consultation period

---

<sup>9</sup> WRSE Stakeholder engagement Report, January 2022

- Response to questions and comments
- 3.13. There was heightened awareness and interest in Oxfordshire in relation to SESRO and in response, in addition to WRSE led activity, Thames Water and Affinity Water hosted a series of activities:
- A pre-briefing for elected members and officers of Oxfordshire County Council and Vale of White Horse District Council ahead of the launch of the consultation
  - Meetings with local MPs to provide information on water resources planning, the reservoir, and responses to issues and concerns raised by members of the local community
  - Meetings with elected members and officers at Oxfordshire County Council and at the wider County Council forum, ADEPT, to engage on water resource matters
  - Meetings with Group Against Reservoir Development to discuss their technical challenges, as well as offering to attend their community events
  - Drop-in events in Steventon, Oxfordshire to provide the opportunity for the local community to talk to the team about water resource planning, the SE emerging plan and SESRO.
  - Proactive engagement with the media to ensure clear and balanced reporting.
- 3.14. WRSE, and SE water companies, received 10 requests for technical data and information from the Group Against Reservoir Development. These requests included information on abstraction licences, stochastic river flow data, scheme deployable output data and cost data. These data requests were treated as Environmental Information Requests (EIR) in view of the detailed nature of the information requested. Thames Water, in collaboration with WRSE and other SE water companies, collated and provided the data, where this was available, in line with EIR requirements and timetable. Thames Water also held a meeting with the Group Against Reservoir Development's technical advisor to review the information requests to ensure there was a complete understanding of what information could be provided and what information could not be provided and the reasons for this.
- 3.15. WRSE received over 1,150 written responses to the consultation. Figure 2 provides a summary of the consultation, and responses, on the SE emerging plan. Over half of the individual responses to the consultation on the emerging plan focused on specific water resources options identified for development, such as large new reservoirs, strategic water transfers, and water recycling schemes, with approximately 500 responses expressing opposition to SESRO. Opposing responses were received from Oxfordshire County Council, Vale of White Horse and South Oxfordshire District Councils, Group Against Reservoir Development, Wantage and Grove Campaign Group, CPRE and other environmental and campaigning organisations, together with individual Councillors, Parish Councils and many individuals resident in the area local to the proposed reservoir site.

Figure 2 The consultation on the SE emerging plan



3.16. WRSE published a response document<sup>10</sup> in May 2022 which provided a summary of the consultation responses, highlighted the main themes and issues raised in the responses and provided WRSE’s consideration of the points and resultant action. The main concerns raised in the consultation on the emerging plan in relation to SESRO focused on:

- The view that the need, or planning challenge, was overstated for the South East, and that as a result, the need for SESRO was not yet established.
- A lack of a clear justification for the selection of SESRO in the emerging regional plan with other cheaper, less environmentally damaging and less disruptive alternatives considered to be preferable, including smaller options that could be implemented sooner, and potential alternative reservoir locations.
- The construction and operational impacts, highlighting the lengthy temporary (8 year) construction impacts on local communities that are near the reservoir site, and the significant and permanent landscape and other environmental impacts of the banded reservoir
- Carbon impacts particularly in the context of net zero targets and climate emergency and challenge as to how the significant carbon effects could be offset

3.17. The main concerns raised during the community drop-in events in relation to SESRO focused on:

- **Need** – There was a lack of confidence in the forecasts, particularly growth, with several references to recently published ONS forecasts, which were lower than local authority growth forecasts.
- **Adaptive planning** – Distrust that a reservoir works as part of an adaptive plan.

<sup>10</sup> WRSE Emerging Regional Plan: Consultation Response Document, May 2022

- **Alternative schemes** – Why the reservoir and not alternatives. The Severn Thames Transfer (STT) was considered to be cheaper, faster to construct, lower carbon, fewer environmental impacts and easier to construct with less risk
- **Reservoir size and proximity to local housing** - Why so large? Questions over the feasibility of a 150 Mm<sup>3</sup> reservoir
- **Embankment heights and landscaping** - Concern that reservoir is so high it will block sunlight, as well as being visually intrusive.
- **Flooding risk** – Concern that local flooding risk will be increased.
- **Access and recreation** - Misconception that there will be no access and limited recreation. Whilst some people recognised the local land was poor quality and of little recreational value.
- **Safety** – Concerns around what happens if it fails, terrorist threat, where would it flood, house insurance.
- **Profiteering** - challenge regarding TW ownership and profits; and a misconception that TW would profit through stockpiling water to sell it.

3.18. We have listened to the points raised in the consultation, and in dialogue with stakeholders and the local community, and ensured all these points are addressed by the further work to develop the long-term water resources plan and the ongoing work to examine potential options, of which the reservoir is one option. These are summarised in Table 5.

Table 5 Summary of feedback to the WRSE emerging draft plan consultation in respect of SESRO, and resultant actions.

Issue	WRSE response
Need is overstated	Water companies have a statutory duty to plan for growth, climate change, resilience to drought and to protect and enhance the environment. WRSE has developed a wide range of scenarios which reflect the range of possible futures. The approach is in line with regulatory guidelines and was presented to stakeholders at the Thames Water / Affinity Water WRF in June 2022.
Adaptive planning favours large options	In response to feedback, WRSE reviewed the adaptive planning framework including trigger points and decision points. In addition, WRSE committed to sensitivity analysis where strategic large options will be removed in turn from the plan and models will be run to understand how the formation of the plan would change.
Alternative schemes have not been fully considered	WRSE is developing a best value plan and considering a wide range of potential solutions. In total over 1,400 options have been presented as potential solutions. The option assessments have been undertaken on a comparable basis and this information will be shared openly and transparently with stakeholders. The timing and sequence of solutions has not been decided. The consultation on the draft regional plan and draft WRMP24 will give stakeholders the opportunity to participate in the decision making.
Environmental impact is significant	Initial environmental assessments have been completed for each of the strategic resource options. The work will be shared with stakeholders and local communities in an open and transparent way when it is complete, but still at a formative stage of scheme development.  Albeit that extensive site-based survey work has not been possible across the reservoir site at this stage, the initial baseline environmental assessments, have enabled the specialist environmental assessment team to understand the potential impacts and the opportunities as well as the mitigation actions required. These assessments have been shared with the Technical Liaison Group.  The environmental assessments completed to date have enabled us to incorporate environmental matters and requirements into the initial scheme masterplan. This is the start of the process and further work will be undertaken to collect multiple years of baseline survey data to inform more detailed assessments which will be included in the subsequent Environmental Impact Assessment that would accompany a DCO consent application. This work will be undertaken in consultation with stakeholders and local communities as part of statutory planning and consenting processes.
Reservoir size and proximity to local housing	Six options for different sizes of a fully bunded reservoir are being considered south-west of Abingdon, including the possibility of phased option. All have been presented for consideration in the development of the regional plan. As part of the development of the draft SE regional plan there will be model runs and sensitivity testing to consider the range of sizes of the potential reservoir and understand the differences in the regional strategy associated with selecting the smaller sized options.

Issue	WRSE response
Appearance & embankment heights	A computer simulation visualisation tool is in development. Although intended initially for use by the internal project team to support the ongoing design activity, it will also be used externally to enable local residents to visualise the proposed scheme from a variety of viewpoints and help to engage on the scheme.
Flood risk will be increased	The flood risk assessment has been progressed in consultation with the EA, addressing both groundwater and surface water flood risk issues. Neither the construction of the reservoir itself, nor any emergency arrangements, would be permitted by the EA if the risk of flooding to people and property is considered unacceptable.
Safety concerns associated with a banked reservoir	A technical note has been prepared by independent reservoir experts with respect to the safety of the reservoir including dam safety. The salient points are summarised in Section 4 of the Gate 2 Report.
Access and recreation	There will be a range of access and recreation opportunities associated with the reservoir. A draft Conservation Access and Recreation strategy has been prepared and this will be taken forward in collaboration with local communities. The Gate 2 Master Plan incorporates some initial access and recreational opportunities, consistent with those currently available at other Thames Water sites. Thames Water promoted a "Live Wild" campaign in 2021 to showcase the great days out at its public sites and the wellbeing benefits green outdoor spaces and wildlife bring to communities. A film has also been produced on Farmoor reservoir which shows the range of opportunities that the reservoir can afford including access, recreation and wellbeing.
Climate mitigation and carbon	The SE companies are committed to make the best use of existing resources through the roll out of smart meters and the promotion of the efficient use of water and to halve leakage by 2050. In June 2022 Thames Water launched a campaign using a wide range of channels to raise awareness of water and promote the efficient use of water to customers across London and the Thames Valley. A number of these channels have not been used previously and the intention is to raise awareness of the messages across society. The water companies are also committed to reach net-zero carbon emissions for operational activities by 2030 and further work is underway to consider opportunities to reduce both the operational and the embodied carbon impact of future solutions. There are a range of opportunities that could be developed as part of the SESRO scheme to help minimise and mitigate carbon impacts during the life-time of the scheme. Further details may be found in Supporting Document A3: Carbon Strategy.
Lack of transparency and openness	WRSE and the water companies have worked openly throughout the development of the SE regional plan. Detailed information on the option appraisal and environmental assessments will be published alongside the draft regional plan and draft WRMP24s in Autumn 2022. The Gate 2 SRO submissions will also be published at this time.  There is a commitment to work openly and transparently, sharing information at appropriate points in the process but still at a formative stage such that comments and feedback can be taken on board.
Collaboration and need for dialogue	WRSE and the SE water companies are fully committed to extensive and meaningful stakeholder engagement, providing frequent and regular opportunities for input in a variety of ways. For example, Thames Water is leading a programme of engagement with over 40 stakeholders from across Thames Valley to raise awareness of water resource planning, the current stage of work, the forthcoming Autumn consultations and to listen to issues, concerns and opportunities.

### SESRO specific discussions

3.19. Engagement has been embedded throughout the Gate 2 programme of work, it builds on the Gate 1 engagement with regulators and strategic stakeholders and feedback previously received. It comprises meetings with regulators, the establishment of topic specific Technical Liaison Groups (TLGs), 1-2-1 sessions with technical specialists, as well as activity to support WRSE and company engagement.

3.20. An overview of SESRO specific engagement is:

- Quarterly update meetings have been held with RAPID to discuss the programme, outputs, risks and issues.
- Technical Liaison Groups (TLG) have been established. The purpose of the TLGs is to enable collaborative working with regulators and stakeholders who have specialist knowledge or a defined stake in the topic. The activity in the TLGs has included sharing data, discussion and agreement on the scope of work and methodologies for technical assessment, review and challenge of outputs. Terms of reference have

been agreed for each of the TLG. Funding arrangements have also been agreed with regulators and some local authorities to enable them to fully participate. An overview of the TLGs, scope of discussions, members of the groups and frequency of meetings is presented in Table 6.

Table 6 Overview of the Technical Liaison Groups

Name	Discussion topics	Members	Meeting dates
Flood risk	Flood risk modelling, opportunity for wider flood defence benefits and interactions with other projects. This TLG has shared hydrological data, discussed the approach, assumptions and modelling plus reviewed the analysis and provided feedback. The TLG also considered the potential for replacement floodplain storage and groundwater flood risk.	EA, OCC & VoWH DC	From Sep 21
Access and recreation	Initial discussions on the draft conservation, access and recreation strategy as well as transport and access.	NAU, EA local teams, NE, OCC & VoWH DC	From March 2022
Engineering Design – Rail	Feasibility of using rail transit including timetabling assessment, the volume of materials and the number and type of freight trains and the potential location for a rail siding and material handling site.	Network Rail, OCC & VoWH DC	From Nov 21
Aquatic Environment	Agreement on the scope and methodology, review of water quality and flow data, as well as quality and ecological modelling outputs.	NAU, EA local Teams	From Nov 21
Aquatic WFD	Sub-group of the aquatic environment TLG, specifically to discuss and address concerns of compliance under the Water Framework Directive	NAU, EA local Teams	From Nov 21
Water Quality Modelling	Water quality modelling approach, calibration and data and ensure agreement to the methodological approach and the initial impact assessment scenarios completed for Gate 2.	NAU, EA local Teams, Water company DWQ teams	From May 2021
Water Resources Modelling	To discuss the modelling work to assess the deployable output of SESRO climate change impacts, SESRO in combination with STT, and T2AT conjunctive use benefits to London in combination with proposed groundwater abstraction reductions	NAU, EA local Teams	From Oct 21
Planning and Land Strategy	To discuss information in relation to planning and consenting.	OCC & VoWH DC, NAU	From Jan 2022
Landscape & visual appraisal	Focused discussion on the approach to the high-level landscape and visual appraisal and the relevant guidelines, including the criteria for assessing landscape and visual sensitivity. The TLG collectively agreed the representative viewpoints to be used in the appraisal and discussed potential mitigation.	OCC, VoWH DC, North Wessex Downs AONB, NE	From Feb 2022

- 1-2-1 engagement on specific matters including:
  - Engagement with the OCC County Archaeologist on the historic environment, specifically the specialist assessments and geophysical and archaeological surveys, as well as the need for early engagement with geoarchaeological team as part of the preliminary geotechnical ground investigations. (February 2022)
  - Engagement with Wilts and Berks Canal Trust to share work on the potential use of the canal as part of the draw down channel and to discuss opportunities for collaboration on the co-function of the schemes. (October 2021, March 2022)
  - Initial engagement with National Highways, with regard to interactions with the A34, with ongoing engagement planned.
  - Engagement with the company WQ teams in relation to the Drinking Water Quality Risk Assessment, and shared drafts of the Gate 2 risk assessment information with the Drinking Water Inspectorate (DWI)
- WRSE and company engagement



- Thames Water and Affinity Water continue to host a regular Water Resources Forum, this is open to all interested stakeholder organisations and the purpose of the Forum is to update stakeholders on the progress to develop the regional plan and in turn company WRMP24s, and to share information at a formative stage to enable stakeholders to participate in the process. Three Forums were held during Gate 2 - in November 2021, February and June 2022. At the November 2021 Forum information was shared on each SRO, including the programme of activities and summary of work packages to provide visibility of the work areas for each SRO and the opportunity for discussion on these options.
- Thames Water offered opportunities for discussions with over 40 stakeholders on strategic water resource planning. The stakeholders include elected members of Oxfordshire County Council and the Vale of White Horse District Council; Parish Councils in close proximity to the reservoir site; as well as specific interest groups including the NFU and CVLA; business organisations such as the CBI and Thames Valley Chamber of Commerce. The purpose of these sessions was to provide an update on work to develop a strategic plan for the SE region, introduce the schemes and listen to feedback. This targeted engagement ran from May 2022.

3.21. In summary, we have proactively engaged with regulators and stakeholders and taken their feedback into account as we have progressed the technical feasibility and conceptual design work to Gate 2. Table 7 reflects the main topic areas raised by stakeholders in relation to SESRO and signposts the relevant section and reports published as part of the Gate 2 submission.

Table 7 Topics – documentation signpost

Issue	SESRO Gate 2 Submission – relevant section
Access and recreation	Main Report, Sections 6 and 8 Technical Supporting Document B3: Conservation, Access and Recreation Strategy
Landscape and visual impact	Main Report, Section 6 Technical Supporting Document B2: Terrestrial Environmental Appraisal Report
Environmental impact and benefit	Main Report, Sections 6 and 8 Technical Supporting Document B1 and B2: Environmental Appraisal Report(s)
Flood risk	Main Report, Section 4 Technical Supporting Document A1: Concept Design Report
Climate mitigation and carbon	Main Report, Section 6 Technical Supporting Document A3: Carbon Strategy
Safety concerns associated with a banked reservoir	Main Report, Section 4 Technical Supporting Document A1: Concept Design Report
Community impacts during construction	Main Report, Section 6 Technical Supporting Document B2: Terrestrial Environmental Appraisal Report

## 4. Gate 2 Engagement with customers

### Overview

4.1. The Gate 1 engagement<sup>11</sup> focused on examining customers' views on water resources planning – the challenges, the options, sharing resources and the strategic regional options including water transfers. The research highlighted the following:

- support for collaboration on planning future water resources. Proposals to share water is generally seen in a positive light with recognition that collaborative planning and options can be efficient and fairer.
- customers' understand the need for large scale regional water resource solutions and support, in principle, sharing water resources.
- reducing leaks and saving water was needed as the foundation to a future strategy and a pre-requisite, to an extent, to sharing resources.
- reservoirs were identified to be one of the preferred options for customers, with a majority view that their multiple benefits outweigh the localised impacts and disruption.
- Both Affinity Water and Thames Water customers were positive about the outline proposal for SESRO.

4.2. The Gate 2 activity built upon the work completed in Gate 1. It has been undertaken in collaboration with other water companies, and SRO project teams, to ensure a consistent and efficient programme of customer engagement to support the development of all the SROs. Where practical we have utilised regionally led work. While for other areas we have formed 'club' projects with other SRO teams – maximising the expertise across the companies.

4.3. The work has focused on exploring some of the aspects raised at Gate 1 in more detail. There were three main components to our work:

- exploring, through the regional engagement, what customers view as 'best value' how they weight and prioritise aspects of best value
- how we can make schemes more acceptable to customers. The research aimed to gain a deeper insight into public value – exploring with customers what they understand as public value, their preferences, whether their views alter dependent on their proximity to the scheme and how much they would be willing to pay for a range of possible 'added value' options for a scheme such as SESRO, and how this differs depending on the type of scheme.
- how customers perceive, understand and ultimately how we need to communicate when we change their source of water. We explored this immersively including taste testing and co-designed a communications framework which was then quantitatively tested with a wide range of customers.

4.4. As well as these specific engagement activities the wider insight gathered regularly by the companies and as part of developing PR24 was also considered to ensure the broad range of evidence was reviewed.

---

<sup>11</sup> SESRO Gate 1 Submission, July 2021, Section 8

4.5. To ensure transparency we involved WRSE’s regional CCG in the work to explore the best value criteria, and for the SRO club projects we shared the research materials and findings through workshops with the technical teams involved and interested stakeholders including the DWI and CCW.

### Customers’ views on “Best Value”

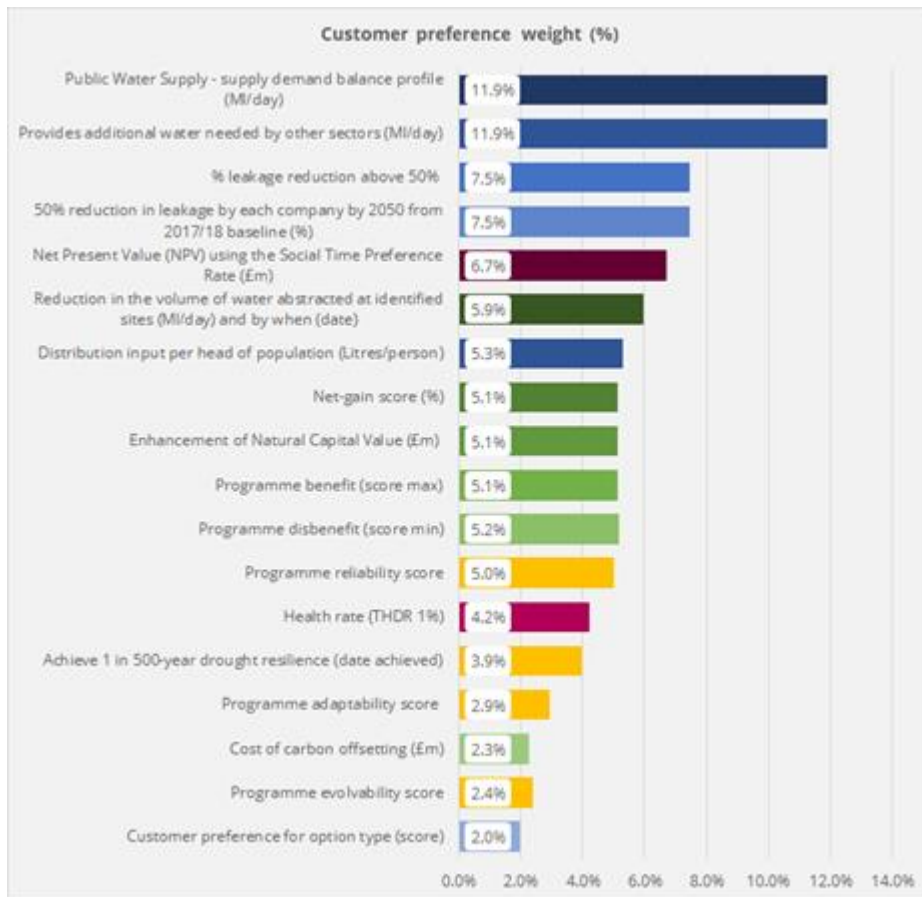
- 4.6. WRSE commissioned an independent market research agency to explore with customers what they consider to be ‘best value’ in respect of planning future water resources, testing their views on best value criteria and metrics to be used to assess the performance of regional plans including the importance, or weights, that customers place on each. This research aimed to provide insight on the strength of customer preference for different aspects of a best value plan, as well as the trade-offs that customers are comfortable with when making choices between the enhancements, timings, and the bill impacts of alternative plans.
- 4.7. Over 300 household customers were engaged to explore their preferences regarding the ‘best value’ criteria developed by WRSE. The criteria and attributes were explained in a more customer ‘friendly’ way and customers were taken through a series of explanations and prompts to help elicit the values shown below. These are shown in Figure 3.

Figure 3 Best value outcomes and criteria

Best value outcomes	Criteria (Jan 21)
Deliver a secure and wholesome supply of water to customers and other users to 2100	<ul style="list-style-type: none"> <li>• Meet the supply demand balance*</li> <li>• Leakage*</li> <li>• Water consumption</li> <li>• Non-public water demand</li> <li>• Customer preferences</li> </ul>
Be deliverable at a cost that is acceptable to customers	<ul style="list-style-type: none"> <li>• Programme cost</li> <li>• Intergenerational equity</li> </ul>
Deliver long-term environmental improvement and social benefits	<ul style="list-style-type: none"> <li>• Strategic Environmental Assessment</li> <li>• Natural Capital</li> <li>• Biodiversity</li> <li>• Abstraction reduction*</li> <li>• Carbon</li> </ul>
Increase the resilience of the region’s water systems	<ul style="list-style-type: none"> <li>• Drought resilience*</li> <li>• Reliability</li> <li>• Adaptability</li> <li>• Evolvability</li> </ul>

4.8. The output from the research is presented in Figure 4. In general, customers place more weight on the delivery of secure supply of water, followed by the cost of investments, environmental improvements, with resilience placed on the lower end of the scale. As a control their preference for types of options (gathered at Gate 1) was used – hence anything above and ‘odds ratio’ of one should be more valued than just a preference over option type. The outputs have been used in the investment modelling undertaken by WRSE to develop the best value plan.

Figure 4 Customer preference weights



4.9. The full report is included in Annex D.2.

### Customers' preferences on added value for large resource schemes

4.10. This was a collaborative project to obtain primary evidence on customer preferences for 'added value' elements to inform the development of strategic resource options (SROs). The objectives of the research were to understand:

- what added value customers perceive is important as part of infrastructure development, to understand preferences for the added value and if those preferences change depending on the geographical location/type of scheme
- how much are customers prepared to pay
- what language should be used to explain the added value.

4.11. The research comprised 3 components:

- literature review on public value - This highlighted that there is a large set of guidance documents and frameworks on 'added value' in the water sector, but the concept is not fully and universally embedded and there is little empirical evidence on perceptions and preferences regarding public value in the UK water sector
- qualitative research with household and non-household customers across 24 groups to introduce the concept of public or added value and exploring what it means and what's important to customers. It provided a foundation of evidence on customer preferences and attitudes, and the language that should be used to explain added value.

- qualitative research building on the learnings from the qualitative research and using choice experiment with over 5,900 household and 550 non-household customers. It focused on estimating customer willingness-to-pay (WTP) valuations of 26 possible project additions at SRO sites via a stated preference survey.

4.12. The research was undertaken to ensure views from a representative cross section of customers were obtained, with the participating water companies providing guidance on appropriate customer segmentation. The findings will be used to inform the conceptual design of the scheme and if the scheme is taken forwards further work will be progressed with relevant organisations and communities who could be affected by the scheme as explained in section 5.

4.13. The qualitative research showed that the concept of “public value” needed to be explained, it is not a commonly used term but once the concept was understood the majority of people felt that it is important. However, most are ‘contingent supporters’ i.e. they need convincing that additional costs are justified particularly in the current economic climate. Furthermore, there are some additions that are common across projects for example economic and environmental benefits whilst customers’ expectations differ according to the project type and different projects attract different levels of support.

4.14. The quantitative research indicated participants’ willingness to pay (WTP) for a set of potential project additions in the context of the strategic resource options (SROs). The proposed additions are shown in Table 8.

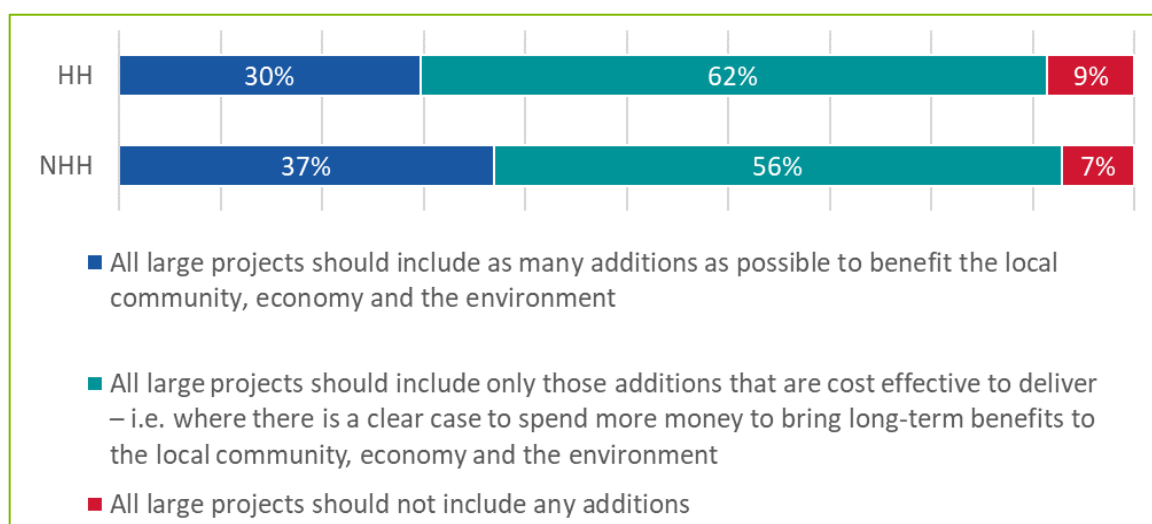
Table 8 Descriptions of potential project additions

	ID	Project addition	Full description shown in the survey questionnaire (where different)
Economic	Att1	One in every 50 jobs will be an apprenticeship	One in every 50 jobs created to develop the site will be an apprenticeship
	Att2	A quarter of all employees are local	A quarter of all employees working to develop the site will be recruited from the local area
	Att3	Increased visitor numbers, with economic benefits	Increased visitor numbers, with economic benefits to the surrounding area
	Att4	Links to heritage and local history, through signs	Links to heritage and local history, through signs put up at the site.
	Att5	Space provided for sustainable agriculture	Space provided for sustainable agriculture, including regenerative farming and re-wilding
	Att6	Irrigation reservoirs to improve local farmland	
	Att7	Café with locally sourced food	
	Att8	Fish ponds created, with public access	
Social	Att9	Visitor centre	
	Att10	Shop selling sustainable products	Shop selling sustainable products and gardening materials
	Att11	Outdoor BBQ/picnic facilities	
	Att12	Water sports facilities, e.g. sailing, paddleboarding	
	Att13	Land-based recreation/amenities	Land-based recreation/amenities, e.g. Go Ape, Segway hire, cycle hire
	Att14	Restaurant/café/welfare facilities	

ID	Project addition	Full description shown in the survey questionnaire (where different)	
Att15	Wildlife viewing platform, Bird watching facilities		
Att16	Children's playground		
Att17	Sensory garden for those with learning difficulties	Sensory garden/space for those with learning difficulties	
Att18	Walking paths, Boardwalk, Bridleway, Cycle trail		
Att19	Beach area		
Att20	Campsite		
Att21	Conference centre		
Att22	Education/training/research facility		
Att23	Links to bus and rail stations		
Environmental	Att24	Reduced flood risk to surrounding area	
	Att25	New wetland area	New wetland area, with benefits for flood risk, wildlife habitats and carbon capture
	Att26	Specialist habitats created for wildlife	Specialist habitats created for wildlife, including butterfly bank, wildlife refuge, ponded areas, reed beds, new woodland and meadow, and creation of landscape scale habitat corridors

4.15. The majority of both household and non-household participants were in favour of project additions, a number supported the idea of including as many additions as possible, while only a small minority were categorically opposed to project additions in the context of large-scale projects as shown in Figure 5. Although when costs and bill impacts were raised, customers consider that cost-benefit considerations should play a major role in future planning.

Figure 5 Participants general view about project additions



4.16. For households the highest-valued project additions for sites that are 5 miles away from the home were:

- Specialist habitats created for wildlife (£3.87 annually)

- New wetland area (£3.24 annually)
- Space provided for sustainable agriculture (£2.61 annually)

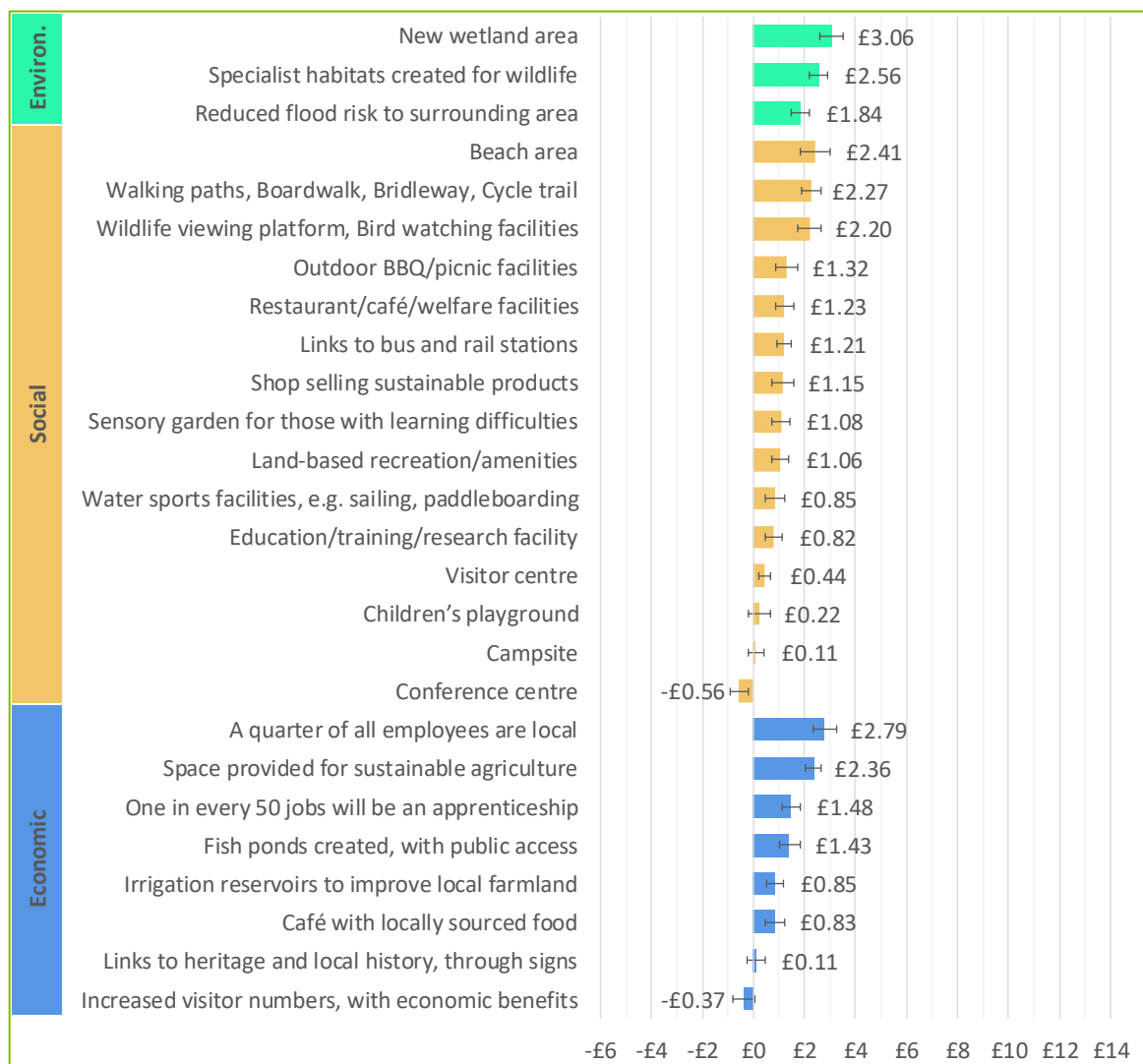
4.17. Households' average valuation was considerably higher in the environmental area (£3.05), compared to the economic area (£1.19) and the social area (£1.16). The combined annual valuation of all project additions was around £36.

4.18. The WTP for project additions at sites that are 50 miles from the home was, on average, 87% of the WTP for sites that are only 5 miles away.

4.19. For non-households, as for households, the average valuation of any project addition was highest in the environmental area, followed by project additions in the economic area and the social area. The combined valuation of all project additions was around 9% of the annual water only bill.

4.20. There is considerable variation in WTP for project additions across types of sites. For reservoirs the household valuations of project additions are shown in Figure 6.

Figure 6 Average household valuations of project additions nearby: reservoir



4.21. These research findings will inform the next stages of design for the SESRO and what additional investment could be incorporated into the design to provide wider environmental and social benefit. It will be important in the next stages of engagement and consultation that the design is considered by the local communities who could be affected and that their feedback is used to help to inform future design.

4.22. The full report of the research study is provided in Annex D.3.

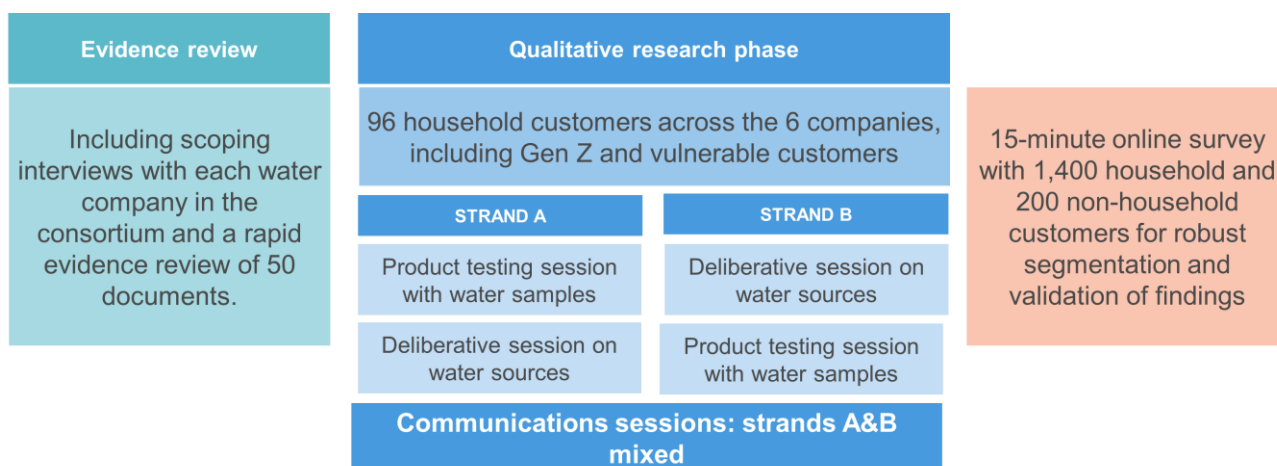
### Customers' views on changing water sources

4.23. This was a collaborative project across 11 of the strategic resource options (SROs) with the aim of understanding customers' views on changing their water source. It comprised three stages of research:

- a review of existing evidence to understand attitudes towards water source change
- a qualitative phase to explore customers' views about water resource options, taste tests using samples representing a range of source options and engagement on how to communicate changes to water sources for each option type including content, tone of voice, timing and format. 96 household customers were engaged in this phase.
- quantitative testing of draft communications using different framings – environmental, human and practical. 1,762 household customers and 198 non-household customers were engaged during the quantitative phase.

4.24. The methodology is summarised in Figure 7.

Figure 7: Summary of the approach taken for the changing sources customer research



4.25. The key findings were:

- Water is a low salience topic, with customers indicating a low level of awareness and understanding of issues relating to it. This, in part, is driven by general satisfaction with the customer experience of water, in terms of taste, smell and hardness
- Customers also have low awareness of water scarcity, and, whilst all take steps not to 'waste' water, most are not actively trying to reduce their water consumption. Information on the topic is easily understood, however, this is not always enough to unseat long-standing perceptions that water is abundant in the UK. Customers



believe that water companies should be taking steps to respond to the issue of water scarcity now and recognise that a mix of demand and supply-side solutions are required. However, there is a general desire to see water companies implement demand-side options first, including fixing leaks and educating customers

- When prompted, customers assess water source options by balancing efficacy (including reliability) and the cost and time commitments associated with the change. There is also an expectation of water companies to evaluate options through this lens
- Customers say they are unlikely to engage with communications on source change, and taste tests indicate that most are not able to detect differences at the level that might be expected in a source change. However, there is still a need to communicate to explain the rationale for the change, alleviate taste concerns and provide clear guidance on the impact
- In terms of communication, overall, the 'human' frame, which is taking a personal perspective, combines the qualitative and quantitative findings together the most effectively. Quantitatively, environmental, and human framings are slightly preferred to practical framings to communicate a water source change, however, in qualitative sessions, environmental framing is felt to lack impact, indicating that, overall, human framing works best
- Most household customers want initial notification three to six months in advance of the change, although non-household customers are more likely to want an earlier notification of a change. Most respondents then want to be reminded again of the change, at a point closer to the time, but generally only once
- An Email message and a letter, separate from the water bill, are the preferred forms of communication about source changes, consistent across sources. Most customers claim they would click through to look at additional information. Whilst, this number may be lower, providing comprehensive information to those who may want it is key
- Of those who are more inclined to visit a website for further detail on the change, there is an expectation that this would include a wealth of comprehensive information. This includes detail on bills, taste, the process, the reason behind the change, safety, environmental impact, and information from an independent source
- Whilst there is a need to communicate on any source change, water recycling and desalination, need more engagement, due to a higher level of spontaneous concerns. For water recycling, these concerns are centred around taste, hygiene, and safety. Desalination also generated concerns, which tended to be around taste and price

4.26. Specifically in relation to reservoirs, these are well known and considered to be common across the UK, driving positive attitudes for its use as a 'tried and tested solution which makes good use of the UK's perceived wet weather. Key findings are summarised below:

- Reservoirs are described by some as a more 'natural' source of water compared to other supply-side solutions as the water being stored is assumed to be precipitation.
- Furthermore, this water is assumed to be of higher quality.
- A small minority query how water in reservoirs is kept clean, with some concern that high quantities of chemicals are needed, though this is not a pressing concern.
- Positive assumptions about reservoir use as a solution are reinforced when presented with further information on the additional water they provide and the variety of customers they serve.

- The disruption to daily life during the long construction period, as well as the costs required to build reservoirs, leads to some doubts about how worthwhile investment in a reservoir is as a solution.
- There is a perception that reservoirs are not as reliable as other supply-side options due to water loss from evaporation and an assumed reliance on rainfall. Therefore, there is concern that building a reservoir is not worth the large costs required for construction.
- Some also question where funding would come from, and whether these costs would be passed onto customers.
- Learning about the low running costs and long-term reliability of reservoirs once constructed increases acceptance of reservoirs.
- However, there is a desire to know what water companies are doing in the interim to address water scarcity before new reservoirs become operational.
- The large amounts of space required to build reservoirs also raises concerns about the destruction of local habitats and damage to the environment.
- Learning about the creation of new habitats and green spaces in the construction of reservoirs goes some way in addressing these concerns, leading to a perception that they have a 'net-positive' impact on the environment.
- Additional benefits (e.g., leisure spaces, education opportunities, aesthetic spaces) created through Reservoirs further build on this view of reservoirs providing a net-benefit once constructed, furthering support.

4.27. Figure 8 summarises the implications for future communications in relation to a new reservoir:

Figure 8 Key implications for communications regarding a reservoir.

## Reservoirs | Key implications for communications

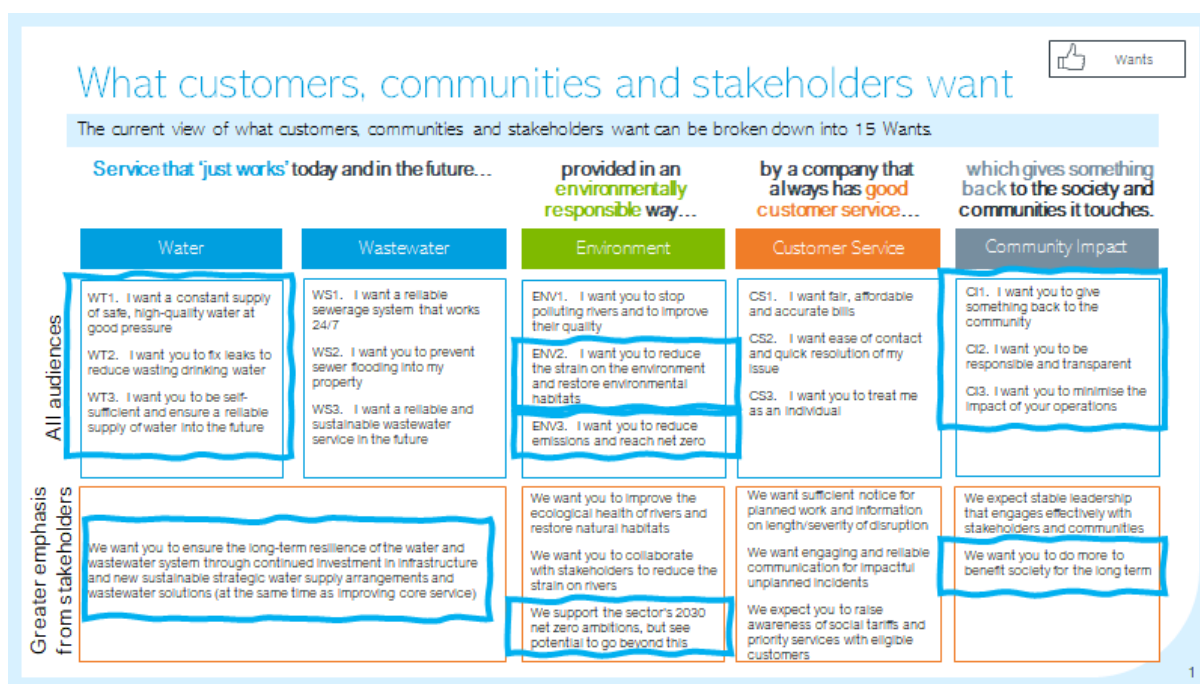
WHO	WHAT	HOW	WHERE	WHEN
<ul style="list-style-type: none"> <li>✓ <b>Water companies</b> are seen as a logical key messenger on this topic.</li> <li>✓ <b>Local authorities</b> are seen as important messengers in providing information and reassurances around planning and construction.</li> <li>✓ <b>Open dialogue</b> will be necessary to manage likely strong pushback to the disruption that will be caused by the construction, and avenues for customers to voice their concerns should be provided.</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Reference the familiarity and common use</b> of reservoirs to reinforce perceptions that it is a 'tried and tested' solution.</li> <li>✓ <b>Focus on the long-term reliability</b> of reservoirs to supply water for years to come, making it a worthwhile investment.</li> <li>✓ <b>Highlight environmental benefits</b> for wildlife and habitats, which shape reservoirs as a 'net-environmental good'. The same applies to the creation of recreational activities through reservoirs, providing a net-good for communities.</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>High level information</b> is likely to be sufficient due to high familiarity with reservoirs as a way of supplying water</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Long term communications plans</b> are likely to be helpful, as presumed level of disruption mean customers expect comms via many channels over a long period of time, including various ways to voice their own concerns.</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Consistent and clear communications</b> will be necessary to manage concerns about local area disruption; transparent comms on when different stages are being implemented are important, including an overview of planning processes.</li> </ul>

4.28. One of the key outputs from this research was a communications framework which took all the learning from the research to produce a practical tool to use when we do decide to change a water source, and the language, framing and communications we should employ and the timings around those communications. This is available in the full research report (Annex D.4)

## Wider research evidence

- 4.29. Thames Water has collated customer, stakeholder and community insights<sup>12</sup> to consolidate what we know about the needs and expectations of our customers and to provide a robust evidence base for decision making.
- 4.30. The top “15” customer wants are presented in Figure 9 with those most relevant to water resources and planning long term future water supply highlighted.

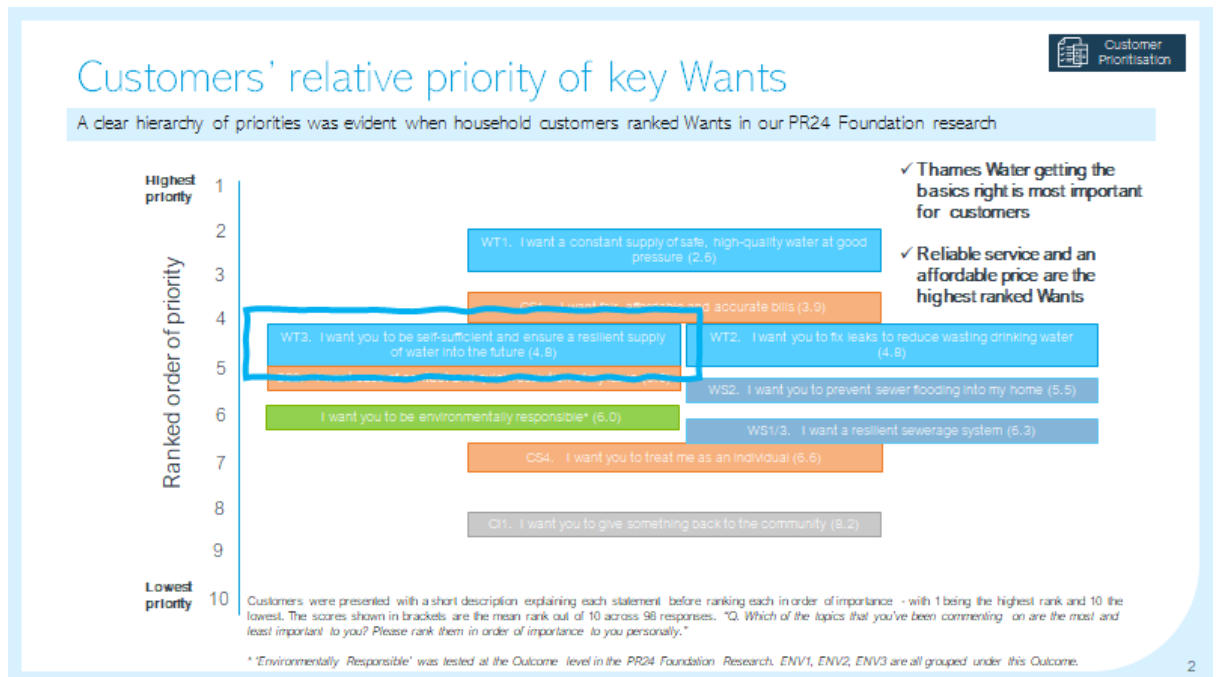
Figure 9 What customers want – the top “15”



- 4.31. When ranked, customers’ set a clear hierarchy of priorities, with a resilient supply of water into the future one of the leading priorities, as presented in Figure 10, with customers wanting us to prioritise improving our existing service (through reducing consumption and leakage) ahead of finding new water resources. Given forecast population growth, non-household customers and stakeholders welcomed focussing on both at the same time.

Figure 10 Thames Water customers’ hierarchy of priorities

<sup>12</sup> Thames Water What Customers, communities and Stakeholders Want – A summary of our customer, community and stakeholder insights, v 15, May 2022

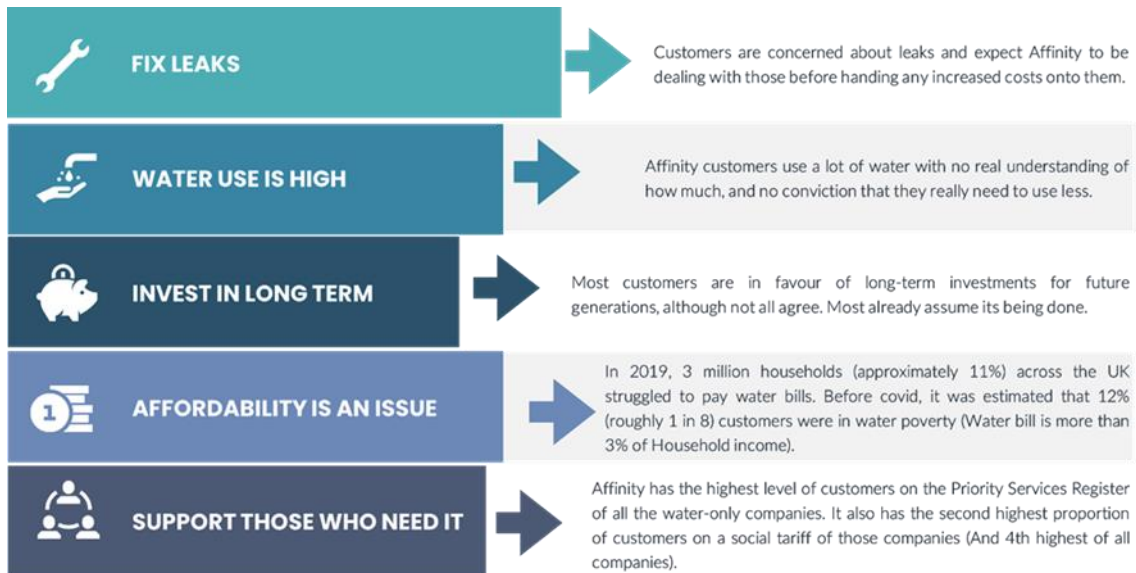


4.32. Other aspects highlighted by customers which are relevant to the ongoing development of SESRO, and other SROs, are the following:

- Reduce the strain on the environment and restore environmental habitats
- Reduce emissions and reach net zero – plus increase the use of green energy and generate more renewable energy without increasing costs
- Give something back to the community – undertake corporate responsibility activities; engage in local issues and provide more access to sites for recreation and minimise the impact of our operations

4.33. For Affinity Water customers they prioritise fixing leaks and ensuring solutions to improve water efficiency and connectivity are put in place before larger scale options are considered. However, they do see the need for longer term planning, and many think it is part of what a water company should do as shown in Figure 11

Figure 11 Affinity Water customers' hierarchy of priorities



### Challenging our approach

- 4.34. The process of collaboratively delivering our customer engagement activity has been driven through the WRSE Engagement and Communications Board (for regional work) and steering groups formed by the SRO companies for each project.
- 4.35. We have benefited from a wide range of expertise within the company's insight, regulation and water resources teams to help the design and development of the engagement activities both ensuring best practice and alignment to wider insight activities to inform the PR24 business planning activities. The work was delivered by independent market research agencies compliant with the MRS code of conduct.
- 4.36. In addition, WRSE has facilitated a regional Customer Challenge Group (rCCG), bringing representatives from the Consumer Council for Water (CCW) and the company independent challenge groups to share and input on the approaches and materials used to engage customers. We also have shared briefs and materials for the research with CCW and the DWI for comment and have presented findings through several webinars.

## 5. Next steps

5.1. There will be ongoing engagement with regulators and the stakeholder community as part of the development of the SE regional plan and consultations on the draft regional plan and draft WRMP24s in Autumn 2022.

5.2. We will continue to engage to ensure the further technical assessments draw on the detailed technical knowledge of specialists and experts. These include:

- RAPID on the programme of work, articulation of issues and risks, and the delivery of outputs to sufficient quality and time demonstrating efficient spend.
- EA, NE and DWI, as well as stakeholder organisations, represented on the Technical Liaison Groups to ensure the further work is robust and the approach takes account of constraints, as well as opportunities.
- Ongoing 1-2-1 engagement with strategic and specialist stakeholders to ensure the ongoing technical studies are robust and based on the most up-to-date data and assessment methods

5.3. We will need to commence survey work to enable the development of robust baseline dataset for future modelling, analysis, and impact assessment work to support the development of the concept design for the scheme and will engage with landowners at the appropriate time.

5.4. SESRO offers the potential for wide regional and local social, economic, and environmental benefits, beyond providing a resilient and sustainable water resource. We will continue, and extend, the engagement to share, and seek input to, the design of the scheme including opportunities for partnership working to enhance the wide potential benefits and mitigate as far as possible issues. This engagement will include organisations such as:

- Wildlife Trusts – BBOWT and County and District ecologists to discuss potential biodiversity benefits through scheme design.
- Local government, community, education, economic and growth organisations including OxLEP to discuss opportunities for regional and local amenity and recreation, education, local employment and skill creation, and wider local economic benefits including tourism.

5.5. There will be multiple opportunities for engagement with the local community, to inform the scheme, if it is taken forwards.

5.6. There is no timescale outlined for further local engagement work as this is determined by the path that the regional plan and WRMPs take, as such it is not possible to commit to a definitive timetable at this stage.

5.7. As SESRO moves on to Gate 3 the switch from gathering wider customer insight into community consultation and engagement. There is no foreseen need for any specific customer research / insight to inform Gate 3 plans.

## Annex D.1 Overview of engagement to inform the development of the SE plan

Date	Stakeholder group/activity	Agenda/Discussion topics
<b>2021</b>		
January (20)	WRSE Multi-sector group (WRSE MSG)	Review of non-PWS demand long-term forecast, review of potential impact of updated EA forecasts on abstraction.
February (12 & 16)	Best Value Plan consultation webinar	Presentation, discussion and Q&A on the Best Value Plan objectives, criteria, and metrics to support the consultation
February (22)	WRSE Stakeholder Advisory Board (WRSE SAB)	Introduction to refreshed terms of reference and work programme; update on the best value planning approach.
March (2)	Environmental Destination workshop – regulators and EAG technical advisors	EA presentation on proposed abstraction reduction scenarios and application of this; Development of catchment portfolios.
March (8)	WRSE Environmental Advisory Group (EAG)	Focus on environmental destination; BV planning – criteria and metrics; Catchment options and delivery mechanisms
March (17)	WRSE MSG	Overview of position for each sector
March (25)	Thames Water & Affinity Water Water Resources Forum	Best Value planning consultation – feedback – next steps for engagement with customers and stakeholders; update on SE planning challenge
May	Future Water Resource Requirements	Publication setting out the planning challenge for the SE
May (18)	WRSE SAB	Workshop to consider the engagement with customers and stakeholders on alternative plans and the development of an interactive tool to clearly communicate the information.
May/June	Options - overview of the options considered in the SE plan	Series of workshops organised by option type to showcase the range of options under consideration and provide an opportunity to discuss and comment on the options.
May	Agriculture/horticulture working group	Review of opportunities for shared options with agricultural and horticultural stakeholders
June	WRSE MSG	Update on the modelling work and discussion on the next steps for agriculture/horticulture shared options
July	Webinar for Retailers	Focus on the company drought plan consultations and introduced the regional plan
September	WRSE EAG	Focus on the environmental destination for the SE
September	Agriculture/horticulture working group	Ongoing discussion on opportunities for shared options with agricultural and horticultural stakeholders
September	WRSE MSG	Update on the modelling work and discussion on the next steps for agriculture/horticulture shared options
September	Regional reconciliation webinar	Recap on role of regional planning, overview of reconciliation process and updates from regional groups
October	WRSE SAB	Focus on the adequacy of the approach to ensure stakeholder and customer views are considered in the development of the plan.
November	Horticultural Trades Association (HTA)	Briefing on the emerging plan
November	CPRE	Briefing on the emerging plan
November	Thames Water & Affinity Water Water Resources Forum	Update on work to develop the regional plan, with a focus on the SROs
December	National Farmers Union (NFU)	Briefing on the emerging regional plan
December	Consumer Council for Water (CCW)	Briefing on the emerging regional plan
December	Blueprint for Water	Briefing on the emerging regional plan
December	South East Rivers Trust	Briefing on the emerging regional plan
January	National Infrastructure Commission	Briefing on the emerging regional plan
January (13)	OCC & VoWH DC members and officers	Briefing on the emerging regional plan
January (17)	Wide stakeholders	National Framework led webinar on the national water resource picture including a summary of each regional group's regional plan.
January (20)	Wide stakeholders	Launch of the consultation on the emerging regional plan for the SE
January (31)	Wide stakeholders	SE (West region) launch webinar
February (1)	Wide stakeholders	SE (East region) launch webinar
February (2)	Wide stakeholders	SE (North region) launch webinar

March (1)	Wide stakeholders	Live consultation Q&A
March (1)	WRSE SAB	Discussion on the consultation feedback and next steps
March (3)	WRSE EAG	Environmental ambition & prioritisation
March (5)	Community Drop-in, Steventon, Oxon	A drop in event to enable the local community to engage with TW, Affinity and SESRO team
April (28)	WRSE EAG	Overview of updated environmental ambition for all SE companies
May (20)	WRSE EAG	Ongoing discussion on environmental ambition and prioritisation
June (7)	Thames Water & Affinity Water Water Resources Forum	Overview of responses to the consultation and work to transition to the best value regional plan
July (11)	WRSE SAB, EAG and MSG joint workshop	Review alternative programmes to inform the preferred draft plan for consultation

Annex D.2 WRSE Research to test customer preferences for best value outcomes, EFTEC, July 2021

Annex D.3 Research to explore customers preferences for public or added value, Accent and PJM Economics, September 2022

Annex D.4 Changing water sources, Britain Thinks, July 2022



