

Our reporting criteria and compliance with common guidance



July 2026



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About this document

This document sets out our reporting criteria and our compliance with the common guidance set by Ofwat for the AMP8 Performance Commitments ('PCs').

The guidance can be found [here](#) on Ofwat's website.

Reporting Criteria

The reporting criteria outlines Thames Water's interpretation of the PR24 Final Determination performance commitment definitions and reporting requirements, i.e. our approach to preparation of the subject matter information as reported in Table 3A and in 'Section 3 – Performance summary' of Thames Water's Annual Performance Report ('APR'). Any deviations from regulatory guidance documents can be found in the Risk and Compliance section of our APR.

For all PCs, we ensure that our outcome delivery incentive payments only relate to real performance changes and not definitional, methodological or data changes in performance commitments.

Reporting Period

This subject matter information is correct at 15 July 2026 and applies to the 2025/26 reporting year. This includes performance commitments ('PCs') with a:

- Regulatory reporting year end of 31 March 2026; and
- Annual reporting year end of 31 December 2025.

Compliance with Common Guidance

We take reporting our compliance against regulatory requirements very seriously and, this year, we have further improved our compliance reporting transparency by sharing the factors in our risk analysis and sharing all compliance checklists regardless of their overall RAG status.

This document should be read as a companion to our APR so that our customers and stakeholders have a full understanding of the information that we are reporting.

Alongside reporting our compliance with common guidance, we also provide confidence gradings for some of our PCs.



Our approach to assessing risk and determining assurance

Reporting Risk Factors

We are committed to providing accurate and informative information to meet the expectations of our customers and regulators, including Ofwat. We conduct annual reviews of our performance commitments and assurance pathways, considering the following risk factors alongside the specific assurance requirements set out in each performance commitment definition:

- Complexity - the number of data sources and process stages, the degree of granularity and manual intervention; measures with well-defined, shorter processes and fewer data sources are deemed lower risk, along with any automated calculations.
- Routine monitoring - PCs with regular monitoring by other regulators, e.g. Drinking Water Inspectorate ('DWI') or Environment Agency ('EA'), during the year are deemed lower risk.
- Maturity of measure - some PCs are new for AMP8 whereas others are well established and this should reduce the risk of inaccurate or incomplete reporting. If PCs have been continued from AMP7, we also reference any Ofwat queries raised in previous years.
- Resource experience - alongside the age of the PC, we consider the experience of each PC's data team; existing reporting channels, systems use and subject familiarity should reduce risk.
- Interlinkage - the degree to which a PC is standalone or related to/ underpinning other financial or non-financial measures; those which are standalone are deemed lower risk.

Pre-assurance risk ratings

- Low - none of the factors raise a notable concern; any risk mitigation required is well established and effective.
- Medium (High to Low) - some factors raise a concern but risk mitigation strategies have been developed.
- High - a major concern exists for one or more factor; mitigation strategies are limited or yet to be identified.

Levels of Assurance

We apply a risk-based approach to our assurance, based on the 'three lines' model set out in the Risk and Compliance section of our APR. We have four levels of assurance available, based on regulatory requirements and the unmitigated risk of the measure being assessed. These are:

High Third party external assurance is mandated and/ or there is high complexity	External independent limited assurance in accordance with the International Standard on Assurance Engagements ISAE3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' ('ISAE3000').
Medium - High Third party external assurance is mandated, but the element is not complex enough to need ISAE3000 assurance	Specified procedures performed by independent third-parties to report factual findings in accordance with the International Standard on Related Services ISRS4400 (Revised) 'Agreed-Upon Procedures Engagements ('AUP')'. Our Operational Greenhouse Gas PCs are assured under ISO14064 against ISO environmental standards.
Medium - Low Overview required, but complexity is not high enough to require third party external assurance	Internal assurance by our Audit and Assurance function, using similar AUP procedures to those performed by an independent third party.
Low Low complexity	Business assured through our internal Information Integrity Declaration ('IID') process which verifies that there are three "pairs of eyes" over each line submitted.

Summary of Reporting and Assurance Requirements by Performance Commitment

Performance Commitment	Reference	Confidence Grading Required	Other compliance requirement	Specific external assurance required	Type of Assurance Completed	Pre-Mitigation Risk Level
Repairs to burst mains	PR24_MRP	Yes	RAG rating by component	No	External AUP	Medium-High
Unplanned outage	PR24_UNO	Yes	RAG rating by component	No	Internal assurance	Medium-Low
Water supply interruptions	PR24_WSI	Yes	RAG rating by component	No	External AUP	Medium-High
Compliance Risk Index (CRI)	PR24_CRI	No	No	No	IID Score assessed by Drinking Water Inspectorate ('DWI')	Low
Customer contacts about water quality	PR24_WQC	No	No	No	IID Score assessed by Drinking Water Inspectorate ('DWI')	Low
Leakage	PR24_LEA	Yes	RAG rating by component	Yes	External ISAE3000	High
Per capita consumption (PCC)	PR24_PCC	Yes	RAG rating by component	Yes	External ISAE3000	High
Business demand	PR24_NHH	Yes	RAG rating by component	Yes	External AUP	Medium-High
Discharge permit compliance	PR24_DPC	No	No	No	IID Score assessed by Environment Agency	Low
Total pollution incidents	PR24_POL	No	No	No	IID Performance assessed by Environment Agency	Low
Serious pollution incidents	PR24_SPL	No	No	No	IID Performance assessed by Environment Agency	Low
Bathing water quality	PR24_BWQ	No	No	No	IID Performance assessed by Environment Agency	Low

Specific external assurance requirements are as stated in the PC definitions with the exception of those marked *, which are as stated in IN02 Expectations for large water company annual performance reporting 2025-26. The specific external assurance requirement also means that the type of assurance completed may not be aligned with the risk level.

Summary of Reporting and Assurance Requirements by Performance Commitment (continued)

Performance Commitment	Reference	Confidence Grading Required	Other compliance requirement	Specific external assurance required	Type of Assurance Completed	Risk Level
Internal sewer flooding	PR24_ISF	Yes	RAG rating by component	No	External ISAE3000	High
External sewer flooding	PR24_ESF					
River water quality (phosphorus)	PR24_RWQ	No	No	Yes	External AUP	Medium-High
Operational greenhouse gas emissions (Water)	PR24_OGW	No	No	Yes	External ISO14064	Medium-High
Operational greenhouse gas emissions (Wastewater)	PR24_OGWW					
Sewer collapses	PR24_SCO	Yes	RAG rating by component	No	Internal assurance	Medium-Low
Storm overflows	PR24_SOF	No	No	Yes	External AUP Performance assessed by the Environment Agency	Low
Biodiversity	PR24_BIO	Yes	RAG rating by component	Yes	External AUP	Low
C-MeX	PR24_C-Mex	No	No	No	Internal assurance	Medium-Low
D-MeX	PR24_D-Mex	No	No	No	Internal assurance	Medium-Low
BR-MeX	PR24_BR-Mex	No	No	No	Internal assurance	Medium-Low
Managing early handback of Tideway project land	PR24_ET05	No	No	Yes*	External AUP	Low
Thames Tideway Tunnel (‘TTT’): Effective stakeholder engagement	PR24_ET02	No	No	No	IID	Low
TTT: Maximising the value of Tideway project land sales	PR24_ET06	No	No	Yes	External AUP	Low
TTT: System acceptance incentive	PR24_ET08	No	No	No	IID	Low
Streetworks collaboration	PR24_SWC	No	No	No	Internal assurance Scheme count assesed by the Greater London Authority (‘GLA’)	Medium-Low

Summary of our RAG statuses and confidence gradings

In accordance with the Ofwat guidance and IN02 Expectations for monopoly company annual reporting 2025/26, we confirm that:

- We are fully compliant with common guidance for mains repairs, per capita consumption, business demand, sewer collapses, internal sewer flooding and external sewer flooding; and
- We have areas of amber non-compliance against common guidance for the performance reporting of water supply interruptions, leakage and unplanned outage.

As our non-compliance has been assessed as amber, in all instances, there is an immaterial impact on our reported performance.

The specific RAG statuses and confidence gradings for each applicable PC can be seen in the Common Guidance section of this document.

Compliance at component level

PC Name	Red	Amber	Green	Grading
Repairs to burst mains	0	0	4	A2
Supply interruptions	0	1	8	A1
Unplanned outages	0	0	5	B2
Leakage	0	1	18	A2
Per capita consumption	0	0	5	A3
Business demand	0	0	5	B2
Biodiversity	0	0	2*	A1
Sewer collapses	0	0	4	B2
Internal sewer flooding	0	0	4	B2
External sewer flooding	0	0	4	A2

*Biodiversity has one component which cannot be measured until 2026/27.



Biodiversity

PR24 Ofwat definition

About the measure: The net change in the number of biodiversity units on nominated land per 100km² of land in the company’s area. A biodiversity unit is a measurement of an area’s value to wildlife. It is based on the size and quality of habitats, and whether the habitat is sited in an area identified as being of strategic significance for nature.

The normalised number of units is measured to two decimal places.

Biodiversity has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

Evidence that:

- management interventions of the company have been guided by appropriate expert ecological advice;
- the company has identified, engaged with, and conscientiously taken into account the views of those stakeholders whom it is reasonable to consider would have an interest in the company’s activities relating to this performance commitment.
- the company has implemented appropriate processes in selecting assessors that are appropriate to the habitat being surveyed;
- the company has implemented appropriate processes to collect relevant information so that assessments on each site can be undertaken in as similar way as possible across a pair of surveys over time; and
- overall biodiversity across all other company owned sites which are not included in the performance commitment is not deteriorating.

Boundaries:

The total is the sum of area based biodiversity units, hedgerow biodiversity units and watercourse biodiversity units.

The calculation follows Department for Environment, Food and Rural Affairs’ (‘Defra’s’) Statutory Biodiversity Metric tool.

We exclude any improvements in biodiversity that arise as a result of conditions or obligations relating to other forms of regulation, including planning processes.

Definitions:

Deterioration

Any loss in biodiversity during the year. This must be assessed annually using a comparison of evidence versus the baseline.

Assurance: External AUP

Compliance with common guidance: We are [compliant](#) with common guidance, except for one component out of three (deterioration) which cannot be measured until 2026/27.

Business Demand

PR24 Ofwat definition

About the measure: The percentage reduction of three-year average business demand in MI/d from the 2019-20 baseline.

Business demand is measured as a % to one decimal place.

Business demand has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: External independent third party.

Boundaries:

Three-year average Business Demand (for the reporting year) is calculated from annual average values for the reporting year and two preceding years and expressed in megalitres/ day (MI/d).

Business Demand baseline is calculated as the mean of the annual average PCC for 2019/20, 2018/19 and 2017/18 in MI/d.

Where this calculation results in a positive value, it corresponds to an outperformance of Business Demand.

Void businesses are excluded from the calculation.

Collaboration is an important factor in Business Demand. If we do not evidence this, we will not be eligible for outperformance payments.

Definitions:

Third party

A person who has entered into an agreement with a business customer to provide water consumption management services to that customer.

Collaboration

Partnerships with a third party in compliance with our licence conditions; these exclude arrangements whereby the company provides services, advice, equipment, resources or support directly to, or otherwise interacts directly with, the business customer or to act on behalf of the customer.

Assurance: External AUP

Compliance with common guidance: We are fully [compliant](#) with common guidance and confident of maintaining this throughout the AMP.

Compliance risk index (‘CRI’)

PR24 Ofwat definition

About the measure: The definition for this performance commitment is set in line with the Drinking Water Inspectorate (‘DWI’) [Compliance Risk Index](#) (‘CRI’). A CRI score is calculated for every individual compliance failure at water supply zones, supply points, treatment works, and service reservoirs. The annual CRI score for the company, for any given calendar year, is the sum of the individual CRI scores for every compliance failure reported during the year.

The CRI score is reported to 2 decimal places.

CRI has a penalty/ reward ODI mechanism.

Period: This is a calendar year measure.

Specific assurance requirements: None

Boundaries:

There are no specific exclusions. However, there are some special rules on calculation of the impact score defined within the DWI procedure.

Definitions:

The calculation for each individual compliance failure is as follows:

Water supply zones

$$\text{CRI} = (\text{Parameter Score} \times \text{Assessment Score} \times \text{Population affected}) / \text{Total company population served}$$

Supply points and water treatment works

$$\text{CRI} = (\text{Parameter Score} \times \text{Assessment Score} \times \text{volume supplied (m}^3\text{/day)}) / \text{Total daily volume supplied by the company (m}^3\text{/day)}$$

Water supply zone

Largest area of a water company’s supply system where all customers have equal supply risk.

Supply point

Individual point of service on the customer premises (i.e. a customer tap).

Water treatment works (‘WTW’)

Site or plant whereby processes, and technologies used to remove contaminants from water are carried out.

Service reservoir

Place or structure where water from a WTW is stored for distribution to the consumers of a water supply district.

Parameter score

- Basis for standard
- 1. Non health risk indicator
 - 2. Regulatory Impact
 - 3. Aesthetic
 - 4. Health risk indicator
 - 5. Health risk

Assessment score

- DWI inspector’s assessment
- 0. Incorrect data//outside operational limits
 - 1. Satisfactory investigation did not identify cause/ trivial/ unlikely to reoccur
 - 2. Suggestions made
 - 3. Recommendations made
 - 4. Covered by legal instrument/ enforcement considered
 - 5. Enforce

Assurance: IID

Compliance with common guidance: Not required

Customer contacts about water quality

PR24 Ofwat definition

About the measure: The number of times the company is contacted by consumers due to the taste and odour of drinking water or because the drinking water is not clear (appearance), reported per 1,000 resident population as reported to the Drinking Water Inspectorate ('DWI').

The customer contacts normalised score is reported to 2 decimal places.

Customer contacts about water quality has a penalty/ reward ODI mechanism.

Period: This is a calendar year measure.

Specific assurance requirements: None

Boundaries: The measurement is as specified by the [DWI](#).

The following list of water quality customer contacts are excluded from this measure:

- Related to water supplied by another water company;
- Students seeking information to help them with an educational assignment;
- Representatives of consumers such as a local councillor or an MP, usually related to a known water quality incident or consumer’s complaint information already recorded;
- Related to a private supply of water, and not the company’s public water supply; and
- Received in the course of managing a notified water quality event.

Definitions:

Appearance:

- Discoloured water (Brown/ orange/ black or blue/ green)
- Particles
- White (air) or white (chalk)
- Animalcules (dead or alive)
- General conditions (deposits of slime or other substance)

Taste and odour

- Chlorine
- Earthy/ musty
- Petrol/ diesel
- Other

Assurance: IID

Compliance with common guidance: Not required

Discharge permit compliance

PR24 Ofwat definition

About the measure: The performance of wastewater treatment works (to treat and dispose of sewage) and water treatment works (for the water supply service) in line with their numeric discharge permit conditions.

It is measured as a % to one decimal place.

Discharge permit compliance has a penalty/ reward ODI mechanism.

Period: This is a calendar year measure.

Specific assurance requirements: None

Boundaries:

This measure is governed by the Environment Agency’s [Environmental Performance Assessment Tool](#) framework.

The discharge permit compliance metric is the number of failing sites (as a percentage of the total number of discharges), and not the number of failing discharges (i.e. if a site fails more than once in a period it is just counted once).

Calculation:

It is calculated as follows:

$$(B - A) / B \times 100$$

Where:

A = No. of sites (STWs and WTWs) with numeric limits confirmed as failing relevant conditions in the calendar year; and B = No. of discharges on the EA register during the calendar year (in force).

Definitions:

A non-compliant discharge is defined as a level of concentration of a parameter in a wastewater/ water quality sample taken at a treatment works that falls outside of the acceptable level, as defined in the individual treatment works permits.

Sample

Wastewater/water quality samples in line with the EA guidance.

The samples are tested for the concentration of a range of parameters, such as suspended solids, phosphorus or biological oxygen demand, as set out within the individual permits for each treatment works.

Individual permits vary dependent on the environmental sensitivities of any receiving watercourse and the type and size of the treatment works

Assurance: IID

Compliance with common guidance: Not required

Operational greenhouse gas emissions (water and wastewater)

PR24 Ofwat definition for water and wastewater

About the measure: The percentage reduction in greenhouse gas emissions (expressed in tonnes CO₂e, carbon dioxide equivalent) from a 2024-25 baseline for water and waste respectively.

This is measured as a % to two decimal places.

Both PCs have a penalty/ reward ODI mechanism.

Period: These are reporting year measures.

Specific assurance requirements: The company is required to provide independent third-party assurance that it has reported all the data necessary to meet the requirements of this performance commitment. This includes confirmation that all data relating to the company’s operational greenhouse gas (‘GHG’) emissions aligns with an internationally recognised standard (e.g. ISO 14064). Data must be assured following an audit by an appropriately qualified independent third-party who is accredited and capable of providing appropriate certification to confirm alignment to the chosen standard.

For the avoidance of doubt the scope of assurance excludes data sourced from the carbon accounting workbook.

Boundaries:

Our PCs follow the principles of the [Corporate Value Chain Accounting Reporting Standard](#).

The following are excluded from the calculation of net location-based emissions:

- offsets;
- green tariff energy purchases; and
- the company’s consumption of renewable energy delivered through the grid, including where this is due to a direct or corporate power purchase agreement.

The company may include emissions reductions from the use of insets and partnership working within them, subject to the given criteria in the PC definitions.

The company will report GHG emissions from retail activities, by allocating them equally between its water and wastewater activities.

Definitions:

Relevant emissions are calculated using the UK Water Industry Research Ltd (‘UKWIR’) Carbon Accounting Workbook (‘CAW’) and subject to the further specification in Table 3E of the APR.

In reporting its emissions, the company is required to use a version of the CAW which is compliant with CAW version 17 (04-01 to 03) (published in May 2023), with Intergovernmental Panel on Climate Change (‘IPCC’) Fourth Assessment Report (‘AR4’) global warming potentials being used.

The company should be consistent with its use of the CAW excel workbook and its associated emissions factors throughout the 2025-30 period.

Assurance: External specialist ISO verification

Compliance with common guidance: Not required

Leakage

PR24 Ofwat definition

About the measure: The percentage reduction in three-year average leakage in MI/d from the 2019-20 baseline.

Where this calculation results in a positive value, it corresponds to the outperformance of leakage in MI/d.

Leakage is measured as a % to one decimal place.

Leakage has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: External independent third party.

Boundaries:

Leakage includes any uncontrolled losses between Thames Water’s treatment works and the customer’s stop tap, including trunk mains, service reservoirs, distribution mains and customer supply pipes. It does not include internal plumbing losses.

We round our baseline and our rolling 3 year average (reported to one decimal place), before calculating the percentage movement.

Percentage reduction (for the report year) = ((2019/20 baseline – Three-year average leakage (for the report year) / 2019/20 baseline)) x 100.

Three-year average leakage (for the report year) is calculated from annual average values for the reporting year and two preceding years and expressed in MI/d.

Definitions:

Reported total leakage

Sum of the post-maximum likelihood estimation (‘MLE’) values for distribution leakage, including Supply Pipe Leakage (‘SPL’), and Trunk Main / Service Reservoir leakage.

Night Flow Monitoring (NFL’)

This relates to Components 1, 2 and 4 of the common guidance.

Leakage from water networks is based on the concept of monitoring flows at a time when demand is at a minimum which is normally during the night.

Allowance is made for legitimate night use for household and non-household customers. Both household and non-household night use are used to derive estimates of daily leakage.

Estimates of Household Night Use (‘HHNU’) and Non-Household Night Use (‘NHHNU’) are based on average values over time and applied to night flows.

Legitimate Night Use (‘LNU’)

This relates to Components 3, 5 and 7 of the common guidance.

Components of night use include the night use of measured and unmeasured households, commercial measured, commercial unmeasured and assessed non-household night use and operational night use, such as that of sewage treatment works.

It also includes allowances for wastage occurring at void properties and night use of occupied void properties.

Estimate of genuine use of water at the flow monitoring zone level is measured as a minimum flow during the night-time during a fixed hour period. Residual flow after legitimate night use is assumed to be leakage.

We use the following fixed time periods:

Fixed Period	Type
3:00 to 4:00 am	Non HHNU
3:30 to 4:30 am	Detached, semi-detached and terraced houses
3:00 to 4:00 am	Flats in large blocks (‘FLBs’) and unmeasured flats in small blocks (‘uFSBs’)

Leakage (continued)

Definitions (continued):

How we calculate LNU

We use our legitimate night use model ('LNU model') to calculate the base line for detached, semi detached and terrace houses. The model takes winter base night use from Domestic Water Use Study ('DWUS') data using 2006/7 data (adjusted for the latest insights on occupancy and property types). We use our small area monitors for flats.

Seasonal adjustments are applied to the winter night use to account for changes due to weather factors (including garden use), holiday periods and Ramadan.

T-factor (Hour to Day Conversion)

This relates to Component 8 of the common guidance.

It is calculated, at flow monitoring zone level, by dividing average daily pressure from all critical pressure point ('CPP') loggers located within the zone by night pressure during the fixed hour period (multiplied by 24 hours).

Annual distribution leakage

This relates to Components 6 and 9 of the common guidance.

This is the sum of distribution system leakage, including service reservoir losses and trunk main leakage plus customer Supply pipe leakage ('SPL') per day (ML/d).

Mains and service reservoirs losses

This relates to Components 10 and 11 of the common guidance.

We follow the criteria outlined in the common guidance for calculating the appropriate level of losses.

Distribution input ('DI')

This relates to Component 12 of the common guidance.

It is the average volume of potable water input to the distribution network at treatment works, boreholes and bulk supply locations.

Measured consumption

Measured consumption is an element of the Water Balance and does not contribute to a specific component of the common guidance. For meter under-registration, this relates to Component 13 of the common guidance

Our measured data is derived from meter readings within our billing systems for households and the central market operating system ('CMOS') for non-households with an adjustment for meter under-registration ('MUR').

The reported water use excludes supply pipe leakage.

Unmeasured consumption

Unmeasured consumption is an element of the Water Balance and does not contribute to a specific component of the common guidance.

To best represent unmeasured demand, we use a combination of data sources which vary based on geographical location between London and Thames Valley & Home Counties.

The sources include our ongoing Progressive Metering Programme ('PMP'), small area monitors ('SAMs') for flats and Domestic Water Use Study data.

Own water use

This relates to Component 14 of the common guidance.

We follow the criteria outlined in the common guidance for calculating adjustments for on-site operational use, such as asset maintenance.

Water balance and maximum likelihood estimation ('MLE')

This relates to Component 16 of the common guidance.

MLE is the technique used to distribute the volume of any unaccounted for water in the water balance calculation according to the uncertainty in the components of the water balance. A water balance discrepancy occurs when the distribution input and the sum of the components of the water balance do not reconcile.

Our water balance range is within the permitted levels.

Leakage (continued)

Definitions (continued):

Studies

Studies are analysis of water usage data that we use as inputs into our leakage calculation, Not all of these studies cover the full population, nor are they all updated annually. However, where this is the case, we are comfortable that the studies continue to be relevant to, and are representative of, the current reporting period and the relevant population. All studies are either performed internally based on existing data or specifically commissioned from external third party experts. We periodically review the relevancy of this data for our reported values.

Other sources of information

- GIS - maps properties to geographical schematics;
- Power BI - data visualisation tool that converts data into an easier to review format;
- SAP - Our account and billing management system;
- SCADA/PI - telemetry infrastructure used as the source system for metering flow data;
- Netbase & NetAnalytics – geographical street and asset information; and
- Meter Data Management system (MDMS) - metering data.

Judgements & Assumptions

These apply throughout our calculation of leakage, including:

- The ethnicity distribution of our population and the extrapolation of our sample in the BMAs;
- Using information from our billing systems and applying a derived occupancy rate instead of using the 2021 Census data (which has been deemed inaccurate to use due to the impact of Covid-19). Full details on our water resident population can be seen in our additional commentary for APR Table 4R;

- Company-specific data to make sure there is consistency between each reporting period. For example, using a consistent figure for:
 - Sales maximisation each year;
 - Illegal connections each year
 - Wastage allowances each year;
 - Non Household (NHH) population each year;
 - Internal/external SPL % ;
 - SPL (% of distribution leakage);
 - MLE confidence grades;
 - Trunk main leakage rate estimate;
 - Fire brigade usage; and
 - Company tanker usage; and
- Seasonality assumptions and judgements used within our Household Night Use model ('LNU').

Estimates

Where no actual data is available, we will use an estimate that is aligned with Ofwat guidance, where applicable. For example, we estimate data infilling for nightlines/nightflows, which we perform in line with Ofwat guidance.

Where appropriate, these estimates are checked for consistency with other parts of the business.

Assurance: External ISAE3000

Compliance with common guidance: We are [compliant](#) with common guidance, except for one component out of 19. This does not have a material impact on our overall reporting.

Repairs to burst mains

PR24 Ofwat definition

About the measure: The number of repairs to burst mains per thousand kilometres of the company’s entire treated water main network, both proactive and reactive repairs to burst mains from which water is lost.

This measure is reported as a normalised result to one decimal place.

Repairs to burst mains has a penalty/ reward ODI mechanism.

Further analysis of our mains by size and age can be found in Table 6C of our APR.

Period: This is a reporting year measure.

Specific assurance requirements: Where the mains length differs by more than 1% from the mains length expected in its business plan, the company shall provide evidence of any adjustments made as part of the APR. This is not the case this year so this point is not applicable.

Boundaries:

Communication and supply pipes are excluded from the PC, whereas distribution and trunk mains are within scope.

The cause of the mains burst is not relevant to the calculation of the reported figure, with the following exceptions and points of clarification:

- Any work that is undertaken solely on an ancilliary asset, such as a ferrule, hydrant or valve and any clamps associated with these, shall be excluded.
- Clamps used to repair the main shall be included; and
- All third-party damage should be excluded where costs are potentially (rather than actually) recovered from a third party.

It is assumed that all mains repairs reported through Thames Water’s digital database are correct, until exported and analysed for the purposes of reporting.

Definitions:

Mains

Pipes through which water is fed into a water distribution system that transports raw or potable water between sources and storage, and potable water from water treatment works to district meters.

Mains repairs

This includes all physical repair work to mains from which water is lost, reported separately as proactive and reactive repairs.

Mains length

Length of all pipes conveying treated water around the distribution point, but not including communication pipes or supply pipes.

Proactive repairs

Completed, via a proactive job request, as a result of Thames Water’s active leakage control (‘ALC’) or its own leak detection activity.

Reactive repairs

Completed as a result of a customer contact (made using any communication channel) informing Thames Water of a leak. Once reported, the network service technician (‘NST’) will raise a investigation job request which, if this results in a repair, is classified as a reactive repair on the system.

Length of mains repaired

This is calculated in our geographic information (‘GIS’) system, using location information input into GIS at the time of the repair.

Assurance: External AUP

Compliance with common guidance: We are fully [compliant](#) with common guidance and expect to remain so throughout the AMP.

Per capita consumption (‘PCC’)

PR24 Ofwat definition

About the measure: The percentage reduction of three-year average PCC in litres per person per day (l/p/d) from the 2019-20 baseline.

PCC is measured as a % to one decimal place.

We round our baseline and our rolling 3 year average, before calculating the percentage movement.

PCC has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: External independent third party.

Boundaries:

This measure is a performance movement (‘PM’) of the three-year average PCC values against the baseline PM (for the report year) = ((PCC baseline –Three-year average PCC (for the report year)/ PCC baseline)) x 100.

Three-year average PCC (for the report year) is calculated from annual average values for the reporting year and two preceding years and expressed in litres/person/day (l/p/d).

Annual PCC= (Measured Household consumption + unmeasured household consumption)/ total household population. It is reported in l/p/d.

Note that the total household population and premises relates to Components 1 and 2 of the common guidance.

PCC baseline is calculated as the mean of the annual average PCC for 2019/20, 2018/19 and 2017/18 and expressed in l/p/d.

Where this calculation results in a positive value, it corresponds to an outperformance of PCC in l/p/d.

The measure uses post maximum likelihood estimation (‘MLE’) data for measured household consumption and unmeasured household consumption.

Definitions:

Measured household consumption

This is Component 3 of the common guidance.

Volume of water used by each measured household within Thames Water’s area, including meter under-registration but excluding supply pipe leakage. It is calculated from the company’s billing system, including actual reads and estimated reads.

Unmeasured household consumption

This is Component 4 of the common guidance.

Volume of water used by each unmeasured household excluding supply pipe leakage. It is calculated from average unmeasured per household consumption (PHC expressed in litres/ household/day) multiplied by the number of unmeasured households.

Studies, Judgements & Assumptions, and Estimates

Please refer to our section on leakage, as PCC is calculated using the same data.

Assurance: External ISAE3000

Compliance with common guidance: We are fully [compliant](#) with common guidance and expect to remain so throughout the AMP.

Serious pollution incidents

Reporting criteria: [PR24 Ofwat definition](#)

About the measure: Serious pollution incidents are reported as the total number of pollutions in categories 1 and 2 emanating from a discharge or escape of a contaminant from a water company sewerage asset or water supply asset affecting the water environment.

Serious pollution incidents are measured as the absolute number that have been confirmed by the Environment Agency as being within categories 1 and 2.

Serious pollution incidents has a penalty/ reward ODI mechanism.

Period: This is a calendar year measure.

Specific assurance requirements: None

Boundaries:

We follow the specifications of the Environment Agency’s [Environmental Performance Assessment](#) framework.

Serious pollution incidents are counted for both water and wastewater assets.

Definitions:

Categories

- 1: major, serious, persistent and/or extensive impact or effect on the environment, people and/ or property; and
- 2: significant impact or effect on the environment, people and/or property.

Assurance: IID

Compliance with common guidance: Not required

Unplanned outage

PR24 Ofwat definition

About the measure: The unplanned loss of peak week production capacity (‘PWPC’) as a percentage of the overall PWPC.

It is measured as a % to two decimal places.

Unplanned outage has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

The performance measure only accounts for outages relating to unplanned causes, such as asset failures which impact on the ability to produce the PWPC. Outages relating to planned causes, such as when assets are taken out of supply due to lower demand or made unavailable for supply to enable planned maintenance or capital works to be completed, are excluded from the measure.

Additional exclusions from the measure are:

- Excluded sites which are not in service as per the annual production plan, sites used only in the case of an emergency or sites only required to be in service during a dry year; and
- Outages of 24 hours or less in duration (We also classify an outage as 24 hours or less where time stamps are not available for Thames Valley Water Treatment Works).

Definitions:

This measure is defined as the annualised unavailable flow, based on the PWPC.

Calculation

The PWPC dataset has been calculated by directly taking actual daily output figures for each water treatment works from the water into supply dataset for the last 5 years, identifying the period of 7 consecutive days with the highest consistent output (and then identifying the lowest daily output within this period of 7 days).

This measure is proportionate to both the frequency of asset failure as well as the criticality and scale of the assets that are causing an outage.

PWPC and outages (planned and unplanned) are defined as per the guidance.

This measure is reported as the temporary loss of PWPC in the reporting year, weighted by the duration of the loss (in days).

Outages arising from planned works are recorded separately to outages arising from unplanned causes, such as asset failure. Unplanned outage for each water production site is calculated separately and then summed over the reporting year to give a total actual unplanned outage for the water resource zone.

The water resource zone weighted outage is summed (ML/d) and normalised based on overall PWPC to be reported as a percentage.

We report our current company level PWPC (ML/d), the unplanned outage (ML/d) and planned outage (ML/d) in our commentary and APR.

We also provide a summary of data quality and compliance in accordance with the reporting requirements.

Assurance: Internal assurance

Compliance with common guidance: We are [compliant](#) with common guidance, except for one element out of nine and this has been assured as not material to the overall result.

Water supply interruptions

PR24 Ofwat definition

About the measure: The average number of minutes lost per customer for the whole customer base for interruptions that lasted three hours or more.

Performance is reported as hh:mm:ss.

Water supply interruptions has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

Evidence must be stored for a minimum of 10 years.

It should be possible to correlate and reconcile the company’s reported figures for this measure and customer services data relating to reports of and complaints about interruptions to supply. Customer service data should also include social media contacts.

Boundaries:

The performance measure only accounts for interruptions greater than or equal to 3 hours in duration. Any interruptions less than 3 hours are excluded from the measure, as well as interruptions over 3 hours that did not impact any properties.

Interruptions as a result of planned maintenance and unplanned interruptions (e.g. an asset failure) are included in the performance results. Interruptions caused by the company, our customers or third parties are all in scope.

Where an event spans the report year end, the event is classified in the start date period.

The data undergoes internal verification process to check duration and number of properties (which can be based on actual and estimated times and number of properties impacted).

Unverified data is automatically captured for incidents ≥3 hours.

Verified reports contain headed front sheets to summarise the incidents findings. All findings are derived from internal systems.

All planned/warned work must include notification times as the DG3 Repository contains several mandatory fields for data input, thus improving the data integrity. The DG3 Repository is subject to data quality checks during the year.

Definitions:

Calculation = (Total number of properties with interrupted supply ≥ 3 hours x the full duration of the interruption in minutes) / Total number of properties supplied with water on 31st March in the current reporting year as shown in Table 4R.

Interruption

When a customer is without a continuous supply of water and the supply has been interrupted for greater than 3 hours. If interruptions occur within 1 hour of each other, their duration will be added together.

Interruptions can be reported via internal identification such as PTW tracker and monitoring equipment or external notification such as customer calls.

Property: One which is connected to the company’s water distribution system (all nonground floor flats are treated as though they are on the ground floor for reporting purposes).

Duration of an interruption: The amount of time which passes between the start time and stop time of an event.

Start time: When water is lost from the first cold water tap at a property. (If notified of the event by a customer or once mains pressure has dropped below 3m pressure at the property).

Stop time: When the company is satisfied that water has been fully restored to an acceptable pressure to the affected property or properties, and water is restored to the first cold water tap at a property.

Assurance: External AUP

Compliance with common guidance: We are [compliant](#) with common guidance, except for one element out of nine and this has been subject to external AUP, which found it not material to the overall result.

Bathing water quality

PR24 Ofwat definition

About the measure: The classification given to eligible bathing waters by the Environment Agency in line with the Bathing Water Regulations 2013, expressed as a percentage of the total potential bathing water quality.

We have three sites in scope for AMP8: Wallingford Beach, Wolvercote Mill Stream and Frensham Great Pond. These are deemed to be the three bathing waters within our region which can be impacted by a water company in the discharge of its functions, as determined by the Environment Agency prior to the start of the 2025-30 period and set out in the PR24 final methodology.

Bathing water quality is measured as % to one decimal place.

Bathing water quality has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

Timing

Measurement for this measure is May - September each year at each site.

Company performance for a bathing season is reported against the report year within which it falls. For example, the bathing season 15th May to 30th September 2025 would be reported in relation to the financial year which runs 1 April 2025 to 31 March 2026.

Changes to sites in scope

If an eligible bathing water is closed and sampling cannot be undertaken, the most recent classification will apply for the purposes of calculating the company’s performance.

If an eligible bathing water is de-designated during the period, it will continue to be included in calculating the average score and will be given a weighting based on the last classification it received.

Any additional bathing waters, newly designated during the 2025-30 period, will not be eligible for the purpose of calculating performance against this performance commitment.

Definitions:

Performance is calculated as a single overall average ‘score’ for bathing water quality as follows:

Sum of (bathing water classification weighting for each site x number of bathing waters that meet the classification) / number of bathing waters in the company area

The bathing water classification can be excellent, good, sufficient or poor.

The weighting is as follows:

- 100% for excellent classification;
- 66% for good classification;
- 33% for sufficient classification; and
- 0% for a poor classification.

An overall average score of 100% would mean that all bathing waters are excellent, whereas 0% would mean all bathing waters are poor.

Assurance: IID

Compliance with common guidance: Not required

External sewer flooding

PR24 Ofwat definition

About the measure: The number of external sewer flooding incidents normalised per 10,000 sewer connections. It includes any escape of water from a sewerage system, irrespective of size, as evidenced by standing water, running water or visible deposits of silt or sewage solids.

It is expressed as a normalised result to two decimal places.

External sewer flooding has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

We maintain verifiable records for all reported flooding incidents irrespective of whether they are included. The aim of the records is to provide an auditable method for identifying specific incidents and is subject to our annual assurance process.

We maintain a methodology statement, which is used as a decision support tool for this PC. It records any changes in approach compared to previous years and is reviewed as part of our assurance process.

Where the number of sewer connections differs by more than 1% from the total expected in our business plan, we provide evidence of any adjustments made as part of the annual performance report. This is not the case this year.

Boundaries:

This measure includes:

- flooding due to overloaded sewers (hydraulic flooding);
- flooding due to other causes (Flooding Other Causes, ‘FOC’); and
- sewer flooding due to severe weather events.

Where a property floods both internally and externally during the same event it shall only be recorded as an internal flooding incident.

Definitions:

A flooding incident means the total number of properties (including curtilages) flooded during each flooding event from a public sewer. For example, five properties which suffered two flooding events during a year, would count as ten incidents.

We also report how many incidents have been included as a result of activities that were carried out to determine nearby properties affected.

Properties

Both household premises (as defined by section 17C of the Water Industry Act 1991) and non-household premises are in scope - those normally used for residential, public, community and business purposes.

Examples of buildings beyond the definition of internal sewer flooding but in scope for this PC:

- detached buildings where the prime purpose is for storage or installation of domestic appliances;
- detached garages inside the boundary of the property and garage blocks with common access; and
- sheds and outbuildings (e.g. summer houses, stables, kennels, and outside toilets).

Assets

All flooding events caused by an escape from public sewers (whether foul, combined or surface water); including pumping stations, sewage treatment works and other assets under the control of the sewerage undertaker shall be reported.

Flooding events caused by sewers, lateral drains, and pumping stations, transferred under the Water Industry (Schemes for Adoption of Private Sewers) Regulations 2011 are included.

Assurance: External ISAE3000

Compliance with common guidance: We are fully [compliant](#) with common guidance and expect to remain so throughout the AMP.

Internal sewer flooding

PR24 Ofwat definition

About the measure: The number of internal sewer flooding incidents normalised per 10,000 sewer connections. It includes flooding due to overloaded sewers (hydraulic flooding) and due to other causes, including sewer flooding due to severe weather events.

It is expressed as a normalised result to two decimal places.

Internal sewer flooding has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

We maintain verifiable records for all reported flooding incidents irrespective of whether they are included. The aim of the records is to provide an auditable method for identifying specific incidents and is subject to our annual assurance process.

We maintain a methodology statement, which is used as a decision support tool for this PC. It records any changes in approach compared to previous years and is reviewed as part of our assurance process.

Where the number of sewer connections differs by more than 1% from the total expected in our business plan, we provide evidence of any adjustments made as part of the annual performance report. This is not the case this year.

Boundaries:

Exclusions to the measure include the following:

- Fluvial flooding (i.e. rivers) and coastal flooding;
- Groundwater which has not originated from a public sewer;
- Flooding from water mains and incidents caused by highway drains; and
- Incidents caused by private assets (including drains) where Water UK’s “Guide to Transfer of Private Sewers Regulations 2011” shall be applied to assess if the flooding incident should be attributed to the undertaker or a private asset such as a drain.

Definitions:

Examples of what parts of buildings we include in the internal flooding category:

- The main parts of a building;
- Porches and conservatories;
- Basements and cellars (even if unoccupied) and areas below suspended floors;
- Lift shafts;
- Stairwell/lobby areas of flats (to be counted as one flooded property);
- Any shared car parking areas beneath the main building where access to the parking area is from within the building;
- Studios and workshops, which are an integral part of the main building; and
- Garages which are an integral part of the house with an adjoining door to the occupied building.

In addition:

- Any flooding due to jetting shall be included, unless the water is fully contained within a toilet bowl; and
- Damp patches caused by seepage through walls or floors shall be excluded, but any area which has visible standing or running water, or which has visible deposits of silt or sewage solids shall be included (including damp patches over 1m², photos of an internal flood provided by the customer or evidence of a clean-up occurring on the network service technician’s visit to the property).

Potential sewer flooding incidents are recorded on the sewer flooding history database (‘SFHD’). The SFHD is populated via incidents of sewer flooding reported to Thames Water or captured through site surveys. Where, on review, there is not enough evidence to support that an internal sewer flood has occurred, it is classified as an E (unreportable) grade event rather than a B (AMP8 reporting standard) and is excluded from the reported figure, but remains in our records.

Assurance: External ISAE3000

Compliance with common guidance: We are fully [compliant](#) with common guidance and expect to remain so throughout the AMP.

Sewer collapses

PR24 Ofwat definition

About the measure: The number of sewer collapses per 1,000 kilometres of all sewers that have not been identified proactively by the company and are causing an impact on service to customers or the environment.

Details on how our sewer length is derived can be found in the APR commentary for Table 7C.

Sewer collapses are measured as a normalised result to two decimal places.

The measure has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

A sewer collapse will be reported in the reporting year when the service incident was reported to the company, not when the replacement or repair took place.

We report against this definition and:

- separately record and report the number of exclusions that are attributed to patch repairs and sewer lining;
- set out our plans and programme to comply with this PC definition; and
- disclose any other factors which have an impact on the reporting methodology.

Where the length of sewer differs by more than 1% from the length of sewer expected in its business plan, we shall provide evidence of any adjustments made as part of the APR.

Boundaries:

Proactively identified collapses, and those caused by third party structural damage and manhole damage are excluded from this measure. Only sufficiently significant structural failures are included in this measure.

Root ingress is excluded unless it has resulted in a need for pipe replacement.

Definitions:

Collapse

A collapse will only be included where both the following actions have occurred:

- There has been a failure to a sewer which is confirmed as the root cause of the resulting customer contact for impact on service or escape (flooding or pollution), leading to the detection of a collapse; and
- This has then resulted in the need to replace or repair the pipe to reinstate normal service.

Identification

We identify potential sewer collapses through review of the ‘activity raised date’ in our systems.

This date will often be after the incident has been reported as there is a delay between a potential collapse being reported and the activity being requested.

We do not use the completed date as there is usually a significant time period (weeks) between a dig down activity being raised and the work being completed.

Inclusions

The measure includes rising mains, pipe bridges, failures on the infrastructure network, including inputs into the inlet of treatment works and terminal pumping station rising mains.

It also includes all public sewer and lateral collapses recorded by Thames Water, inclusive of those incidents that have been reported as flooding or pollution failures, if the primary cause of the flooding or pollution was a sewer collapse.

Assurance: Internal assurance

Compliance with common guidance: We are fully [compliant](#) with common guidance and expect to remain so throughout the AMP.

Storm overflows

PR24 Ofwat definition

About the measure: The average number of spills per storm overflow.

It is shown as a normalised measurement to two decimal places.

Storm overflows has a penalty/ reward ODI mechanism.

Period: This is a calendar year measure.

Specific assurance requirements: External independent third party.

We must keep the spill records required for the 12/24 spill counting method for at least 10 years. We must ensure broken monitors are fully operational as soon as reasonably practicable.

We will also provide a reconciliation of the performance reported under the performance commitment with any publicly available information, including that reported to each appropriate agency.

We must separately report the number of storm overflows that have been:

- identified or newly permitted by the appropriate agency during the reporting year but will be included in the following reporting year;
- added to the reporting year because they were identified or newly permitted in the previous reporting year and are: (i) confirmed as being connected to its system, or (ii) under investigation after initially being identified by the company or another stakeholder;
- now confirmed as not being connected to its system after it was previously reported as a storm overflow that had initially been identified by the company or another stakeholder in the previous reporting year;
- closed but remain subject to a permit during the reporting year; and
- closed and the appropriate agency has confirmed a permit is no longer required during the reporting year – with supporting evidence provided by the company to Ofwat.

Boundaries:

The PC follows the framework of the Environment Agency’s [storm overflows permit guidance](#).

Definitions:

The PC is calculated as (Number of monitored spills/ number of storm overflows) + Unmonitored storm overflows adjustment.

Counting the number of spills

Spills shall be counted using the 12/24 counting method, as follows:

- Start counting when the first discharge occurs.
- Any discharge (or discharges) in the first 12-hour block is counted as one spill.
- Any discharge (or discharges) in the next and subsequent 24-hour blocks are each counted as one additional spill per block.
- Continue counting until there is a 24-hour block with no discharge.

Assurance: External AUP

Compliance with common guidance: Not required

Total pollution incidents

PR24 Ofwat definition

About the measure: Total pollution incidents are reported as the total number of pollution incidents (categories 1 to 3) emanating from a discharge or escape of a contaminant from a water company sewerage asset affecting the water environment, per 10,000km of sewer length from wastewater assets for which the company is responsible.

We report the result taken from the annual provisional Environmental Performance Assessment (‘EPA’) letter issued by the Environment Agency.

Pollutions incidents are reported as a normalised number to two decimal places.

Total pollution incidents has a separate penalty/ reward ODI mechanism in addition to that specified for seriour pollutions.

Period: This is a calendar year measure.

Specific assurance requirements: None

Boundaries:

We follow the specifications of the Environment Agency’s [Environmental Performance Assessment](#) framework.

The measure records the category 1 to 3 pollution incidents to the water environment from failures on foul sewers, combined sewer overflows, sewage pumping stations, rising mains, storm tanks, sewage treatment works, other water industry premises and polluted surface water outfalls.

Category 4 incidents are excluded from the measure along with incidents related to storms.

Definitions:

Categories

- 1: major, serious, persistent and/or extensive impact or effect on the environment, people and/ or property;
- 2: significant impact or effect on the environment, people and/or property;
- 3: minor or minimal impact or effect on the environment, people and/or property; and
- 4: substantiated incident with no impact.

Total sewer length

The sum of the total length of “legacy” public sewers as at 31 March + the length of formerly private sewers and lateral drains (s105A sewers), as shown in Table 7C of the APR.

Assurance: IID

Compliance with common guidance: Not required

River water quality

PR24 Ofwat definition

About the measure: The percentage reduction in phosphorus emissions to river catchments as a result of water company activities when delivering their functions relative to the load of total phosphorus discharged by all wastewater treatment works in the baseline which is 1st January 2020 to 31st December 2020.

River water quality is a reputational PC.

Period: This is a calendar year measure.

Specific assurance requirements: External independent third party.

We must include that reported reductions in phosphorus result from plans representing the best value long-term approach for customers and the environment, taking into account a wide range of factors including the long-term resilience of the supply chain.

Phosphorus can be removed at wastewater treatment works and/or through partnerships, including catchment working, where, in the course of delivering its functions, the water company collaborates with others to reduce phosphorus emissions.

We are not expecting to complete any partnership working during AMP8, but in the event that any opportunities arose, we would evidence the following:

- the company has followed the method agreed with the appropriate agency;
- all data used in the method, unless otherwise stated in the method, has been accurately inputted from measured sources where practicable or otherwise are robust estimates; and
- the reduction in phosphorus from partnership working in the base period is a fair comparison with the reduction of phosphorus in the latest reporting year.

Boundaries:

The total is the sum of area based biodiversity units, hedgerow biodiversity units and watercourse biodiversity units.

The calculation follows Defra’s Statutory Biodiversity Metric tool.

Definitions:

River water quality is calculated as:

The phosphorus emitted by relevant discharges from treatment works in 2020 minus phosphorus emitted by relevant discharges in the year / the 2020 baseline,

where

- “The 2020 baseline” means the cumulative total load of phosphorus from relevant discharges of all of the company’s wastewater treatment works from 1st January 2020 to 31st December 2020; and
- “relevant discharges” means discharges of treated wastewater from the company’s wastewater treatment works into freshwaters.

The 2020 baseline will not change from that assumed at the time of final determinations in 2024.

Assurance: External AUP

Compliance with common guidance: Not required

Streetworks

PR24 Ofwat definition

About the measure: The cumulative number of collaborative projects delivered by Thames Water over the 2025-2030 period, according to the Greater London Authority (‘GLA’) [collaboration framework for utility companies](#).

It is measured as a cumulative count.

Streetworks has an end of AMP reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements:

We will apply a standard framework and methodology to assess completion and alignment to the agreed ways of working.

The GLA will provide independent external assurance to confirm which schemes have met the Minimum or Strategic criteria at the end of each reporting year, along with:

- a specific guidance document setting out the process for Thames Water to self-assess;
- monitoring and evaluation under the ‘GLA Streetworks Monitoring and Evaluation Tool’;
- establishment of quarterly governance committee sessions to review and approve schemes; and
- tracking of incentive schemes through the GLA’s new Project Portfolio Management (‘PPM’) tool.

We will carry out independent internal assurance on the performance commitment methodology and scheme self-assessment reporting.

We have also employed a Collaboration Specialist for this workstream. The Collaboration Specialist has implemented new steps to ensure collaborative working is looked at through the lifecycle of a project. They are also the product owner of Thames Connect.

Boundaries:

Exclusions

- Streetworks interventions where there is a specific risk or concern that requires delivery exclusively by Thames Water;
- Projects not fully complete by the end of the 2025-30 period;
- Wastewater network schemes; and
- Collaboration opportunities in the Thames Valley and Home Counties, i.e. those not within the GLA geographical boundary or GLA oversight.

Definitions:

This bespoke PC incentivises Thames Water to deliver streetworks interventions collaboratively through a ‘Dig-Once’ approach to investment in London, and ultimately increase value delivered to customers and communities.

Assurance: Internal assurance

Compliance with common guidance: Not required

Thames Tideway Tunnel: Managing early handback of Tideway project land

PR24 Ofwat definition

About the measure: The net total number of full months before the target date that Thames Water receives land back from Tideway once necessary works related to the Thames Tideway Tunnel have been completed.

It is measured as a count of months to zero decimal places.

Early handback has a penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

The list of 90 hand back areas (21 sites) was specified at PR19 within the performance commitment and no changes were made at PR24.

This PC includes 87 hand back areas rather than 90, as three areas relating to Dormay Street are not intended to be handed back.

Definitions:

Target date

Three full months after an area has been certified as being ready for hand back. The actual target date will, in all cases, be three full months after certification, whenever certification occurs.

It is assumed that there is no partial handover with full handover needing to be signed off. The handover certificate is provided only when this is fully complete.

Assurance: External AUP

Compliance with common guidance: Not required

Thames Tideway Tunnel: Systems acceptance incentive

PR24 Ofwat definition

About the measure: This performance commitment is to incentivise Thames Water, working together with Tideway, to accelerate acceptance of the Thames Tideway Tunnel in accordance with the requirements set out in clause 22 (System Acceptance Activities) of the Interface Agreement entered into between Tideway and Thames Water on 24 August 2015 (as subsequently amended), so as to deliver the earliest possible expected environmental benefits to the River Thames, and enable early demobilisation of the resources employed by Thames Water and Tideway so as to minimise the cost to Thames Water’s customers.

The PC is measured as a number of months to zero decimal places.

The systems acceptance incentive has an end of AMP penalty/ reward ODI mechanism.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

Where Thames Water is required to undertake agreed activities or deliver agreed assets after the start of system commissioning, being 14 February 2025 to enable Acceptance of the Thames Tideway Tunnel by 31 August 2027 to be achieved but delivery of such activities or assets are determined to be hindered through Tideway’s inaction or failure to act reasonably, which directly results in Acceptance falling after 31 August 2027, then any Underperformance Payment which Thames Water would under this performance commitment incur will be assessed by Ofwat to determine the impact of Tideway’s and Thames Water’s actions, inactions and behaviours.

Definitions:

If Acceptance (as defined in Appendix 4 of Tideway’s licence) is achieved on or before 31 August 2027, being the Planned System Acceptance Date (‘PSAD’) as defined in Tideway’s licence (or such other later date as may be agreed by Thames Water, Tideway and Ofwat), Thames Water will be entitled to receive an outperformance payment to be calculated in the following manner:

- If Acceptance takes place on or before PSAD, Thames Water shall be entitled to receive one unit of Outperformance Payment – Enhanced.
- If Acceptance takes place more than thirty-one days before PSAD (i.e. before 1st August 2027), Thames Water will be entitled to receive one unit of Outperformance Payment – Enhanced plus, for each full calendar month that Acceptance takes place before PSAD, one additional unit per full month of Outperformance Payment – Standard, up to a maximum of 17 (seventeen) units of Outperformance Payment – Standard.

If Acceptance should take place after PSAD but within three calendar months after PSAD (i.e. by 30 November 2027) then Thames Water will not incur any Underperformance Payment – Standard.

If Acceptance should take place after the date which is three calendar months after PSAD (i.e. after 30 November 2027) then, for each additional full calendar month between 1 December 2027 and the date of Acceptance, Thames Water will, subject to the specific exclusions set out below, incur one unit of Underperformance Payment – Standard, up to a maximum of 15 (fifteen) units of Underperformance Payment – Standard.

Assurance: IID

Compliance with common guidance: Not required

Thames Tideway Tunnel: Effective stakeholder management

PR24 Ofwat definition

About the measure: The effectiveness of engagement activities with key stakeholders in the Thames Tideway Tunnel project.

It is a score measured to one decimal place.

This is a reputational PC.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

None.

Definitions:

Survey

Carried out by an appropriately qualified external third-party stakeholder research company, responses are obtained for the question “overall as a senior member of your organisation and key stakeholder in the TTT project, how well would you say Thames Water has ‘engaged with your organisation so far?’.”

The average score of responses to the survey is determined based on the following scale:

6 - extremely well,

5 - very well,

4 - quite well,

3 - quite poorly,

2- very poorly,

1- extremely poorly.

Stakeholders

Thames Water aim to get 2 participants per stakeholder to take the survey but will accept a minimum of one participant from each of the following:

- Bazalgette Tunnel Limited (Tideway);
- Environment Agency;
- Defra;
- Independent Technical Assessor (‘ITA’); and
- Consumer Council for Water (‘CCW’).

Calculation

The score attained is a simple average of scores from interviewees.

Assurance: External AUP

Compliance with common guidance: Not required

Thames Tideway Tunnel: Maximising the value of Tideway project land sales

PR24 Ofwat definition

About the measure: The total net profit or loss made on the actual sale of any of the 12 plots related to the Thames Tideway Tunnel that are scheduled to be sold in the 2025-2030 period. It is measured in £m to one decimal place. This is a reputational PC.

Period: This is a reporting year measure.

Specific assurance requirements:

Independent external assurance will be provided by the company to Ofwat for each plot sold in the relevant reporting year to confirm the percentage of land sold is a fair reflection of the split between the land sold and the land retained relative to the acquisition price paid by the company. In addition, Ofwat may require independent external assurance in respect of any plot, to confirm that Thames Water took appropriate steps to maximise customer value.

Boundaries:

The measure includes the 12 plots scheduled to be sold. These are:

- 1. Camelford House, Albert Embankment;
- 2. Chambers Wharf, Bermondsey;
- 3. Whiffin Wharf, Carnwath Riverside;
- 4. Carnwath Industrial Estate, Carnwath Riverside;
- 5. Cringle Wharf, Kirtling Street;
- 6. 80 Kirtling Street, Battersea;
- 7. 2a Battersea Park Road, Battersea;
- 8. 88 Kirtling Street (ex V&A Stores);

- 9. 8 Brooks Court, Battersea;
- 10. 1 Brooks Court, Battersea;
- 11. Oyster Pier, Mooring berths 1, 2 & 3; and
- 12. Oyster Pier, Mooring berths 5 & 6.

A plot can only be counted towards the PC when sold in it’s entirety; for example, berths 5 & 6 must both be sold before the profit or loss of plot 12 is considered.

Definitions:
Net profit or loss

The difference between the baseline value and sale value (or net proceeds) of each plot subject to adjustments.

Net proceeds

Proceeds from the sale of the relevant plot after adjusting for the costs, receipts and savings reasonably attributable to or connected with the relevant disposal, which shall include associated costs related to the project land, such as compensation and mitigation costs, to the extent that such costs, receipts and savings were not previously allowed for when a relevant determination was made.

Baseline value

Baseline value = (P x A)
Where P = the percentage of land that is sold. This is the £m value of the land that is sold divided by the £m value of the land that is sold plus the £m value of the land that is not sold.
A = the acquisition price paid by the company when acquiring the plot (in £m).
The company will report its performance as the sum of the net profit or loss of all plots sold in that year. No adjustment is made for inflation within this performance commitment.

Assurance: External AUP

Compliance with common guidance: Not required

C-Mex

Reporting criteria: [PR24 Ofwat definition](#)

About the measure: C-Mex is the overall average score from two surveys, both based on the question “taking everything into account how satisfied are you with your water company?”

C-Mex is presented as an average score on a scale of 0 to 100, where 0 is the lowest score and 100 is the highest, to two decimal places.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

The following exclusions are applied to the data submitted to BMS (Ofwat’s agent):

- Outbound contacts;
- Deceased customers;
- Non-customer contacts;
- Non-household, developer services or private network customers;
- Ex-directory;
- Wrong numbers - contacts from customers that should have contacted another organisation;
- Contractor 0.5% rule - customer contacts from external service providers who take less than 0.5% of total calls for a business unit;
- Customer contacts that are returned on or alongside company requests for feedback or surveys;
- Social media postings, customer comments exclusively about another customer’s posting;
- Enquiries from CCW on behalf of a customer; and
- Ofwat Do not contact (‘DNC’).

Definitions:

C-Mex is the customer service score (customer measure of experience) resulting from average scores on two sets of customer surveys:

- Customer service survey (‘CSS’) – a satisfaction survey of a sample of residential customers who have recently contacted the company, relating to that recent contact. These contacts can be related to billing and general enquiries or an operational incident; and
- Customer experience survey (‘CES’) - a satisfaction survey of a random sample of residential customers relating to their overall experience of the company.

Assurance: Internal assurance

Compliance with common guidance: Not required

D-Mex

PR24 Ofwat definition

About the measure: The average developer services customer experience score resulting from a survey component and the Levels of Service metrics.

Developer services customer satisfaction is measured as an overall average score out of 100 to two decimal places, where 100 is maximum satisfaction.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

The following can be excluded from the qualitative submission for D-Mex:

- Ofwat Do not contact (‘DNC’); and
- Transactions where there is an ongoing dispute with the customer of such severity that approaching the customer to take part in a survey may not be appropriate.

Definitions:

The calculation of the company’s overall D-MeX score is carried out in the following way:

[33% x survey of small developers] + [33% x survey of large developers, SLPs, NAVS] + [33% x Levels of Service metrics],

Where

- “SLP” or “self-lay provider” means a sub-contractor appointed by a developer to install new water mains or sewerage infrastructure;
- “NAV” or “new appointee” means a limited company providing a water and/or sewerage service to customers previously provided by incumbent monopoly provider;
- “large developer” means a developer services customer who is not an SLP or NAV, who typically completes 100 or more transactions a year with all companies; and
- “small developer” means all developer services customers who are not SLPs, NAVs or large developers.

Assurance: Internal assurance

Compliance with common guidance: Not required

BR-Mex

PR24 Ofwat definition

About the measure: The average business customer service experience score resulting from two sets of customer surveys and market performance metrics, shown as a score from 0 to 100 where 100 indicates maximum satisfaction.

Period: This is a reporting year measure.

Specific assurance requirements: None

Boundaries:

The following cannot be surveyed to find about their customer experience:

- Customers who have indicated they do not wish to be contacted in relation to Ofwat and/or MOSL surveys and whose details are entered on the “B-MeX do not contact list”;
- Household or private network customers;
- Contacts made by, or in relation to developer services;
- Wrong numbers, such as where a customer calls referring to another wholesaler, or where the customer refers to a non-appointed activity and the call has no connection with the appointed business. For example, plumbing or heating services enquiries;
- Non-customer contacts, for example, calls from contractors or suppliers;
- Calls about recreational and amenity activities, such as skiing or angling facilities at visitor sites;
- Enquiries from the Consumer Council for Water on behalf of a customer; and
- Ofwat agrees there is an exceptional circumstance where it would not be in the best interest of the customer to be contacted.

Definitions:

BR-Mex is calculated as

[50% x Business (non-household) Customer Experience Survey] + [25% x Retailer Experience survey] + [25% x Market Performance Framework Metrics], where

- Business (non-household) Customer Experience Survey (‘B-MeX’) = a satisfaction survey of a random sample of business customers who have recently contacted their wholesaler;
- Retailer Experience survey (‘R-MeX’) = derived from a twice-yearly survey of Retailers; and
- Market Performance Framework Metrics (‘MPF’) = based on industry measures of wholesaler performance, as determined under the industry’s Market Performance Framework.

Assurance: Internal AUP

Compliance with common guidance: Not required

Assessing compliance with common guidance

Common guidance is made up of a number of requirements (or components) that we must follow when we report our performance for some of our PCs. Each component is made up of sub-requirements (or elements).

We assess our compliance with common guidance using a RAG status, at both an element and overall component level, and our assessments are validated through our independent third party assurance.

We use a materiality threshold consistent with the methodology used by our independent assurers.

Compliance at element level:

Status	Definition
Red	Not compliant and having a material impact on reporting
Amber	Not compliant and having no material impact on reporting
Green	Fully compliant

Compliance at component level:

Status	Definition
Red	There are one or more red elements in the component, or the combined effect of amber elements is considered to produce a material impact.
Amber	Half or more of the elements in the component are amber and the combined effect of the amber elements is considered not to produce a material impact.
Green	More than half of the elements in the component are green.

We are also required to apply a confidence grade to our reporting so there is a reasoned basis for qualifying the reliability and accuracy of our data.

The confidence grade combines elements of reliability and accuracy, as shown in the tables below:

Compliance on reliability:

Band	Description
A	Sound textual records, procedures, investigations or analysis properly documented and recognised as the best method of assessment.
B	As A, but with minor shortcomings. Examples include old assessment, some missing documentation, some reliance on unconfirmed reports, some use of extrapolation.
C	Extrapolation from limited sample for which Grade A or B data is available.
D	Unconfirmed verbal reports, cursory inspections or analysis.

Compliance on accuracy:

Accuracy band	Compatible grades	Accuracy to or within +/-	But outside +/-
1	A	1%	-
2	A, B, C	5%	1%
3	A, B, C, D	10%	5%
4	A, B, C, D	25%	10%
5	C, D	50%	25%
6	D	100%	50%
X	A, B, C, D	Accuracy outside +/- 100 %, small numbers or otherwise incompatible	

Repairs to burst mains compliance table

Compliance status:

Our [repairs to burst mains reporting](#) is compliant with the regulatory guidance in all areas.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	A2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Mains bursts repair work	G			A2
2	Mains length	G			A2
3	Records	G			A2
4	Methodology statement	G			A2

Water supply interruptions compliance table

Compliance status:

Our [water supply interruptions reporting](#) is compliant with the regulatory guidance, except in one component (out of nine) which the company has assessed through independent assurance and deemed immaterial to the accurate reporting of the performance commitment.

Compliance actions we’re taking:

Our reporting is consistent with AMP7 and whilst we are not yet able to be fully compliant, our approach is conservative and we believe that we act in the best interests of our customers.
We have no changes to approach in development at present.

Overall compliance (RAG)	G
Overall confidence grade (data)	A1

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Property Counts	A		We currently use GIS data which is all dwellings not specifically billed mains pressure fed properties. We therefore over report on properties impacted from Supply Interruptions (by up to 5%).	A2
2	Start Time	G			A1
2a	Evidence to support start time		G		A1
2b	Treatment of 3m pressure definition		G		A1
2c	Treatment of blocks of flats		G		A1
3	Stop Time	G			A1
3a	Evidence to support start time		G		A1
3b	Treatment of 3m pressure definition		G		A1
3c	Treatment of blocks of flats		G		A1
4	Short Term Restoration of Supply	G			A1
5	Exclusions	G			A1
6	Calculation of Performance	G			A1
7	Application of Precautionary Principle	G			A1
8	Records	G			A1
9	Properties affected >1 interruption in year	G			A1

Unplanned outage compliance table

Compliance status:

Our [unplanned outage reporting](#) is compliant with the regulatory guidance, except for one element (out of nine) which the company has assessed and deemed immaterial to the accurate reporting of the performance commitment.

Compliance actions we’re taking:

Our reporting is consistent with AMP7 and whilst we are not yet able to be fully compliant, our approach is conservative and completed to a high level of accuracy.

We have no plans to change our current methodology for this PC.

Overall compliance (RAG)	G
Overall confidence grade (data)	B2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	PWPC	G			B2
1a	Annual review		A	We do not use capacity tests to support PWPC with evidence of actual output or of capacity tests undertaken on a rolling programme each five years use capacity. Instead, we use telemetry data to provide actual output at each site.	B2
1b	PWPC by production site		G		A2
1c	Water resource zone PWPC		G		A2
2	Asset failure /unplanned outage	G			B2
2a	Source data		G		B2
3	Planned outages	G			B2
3a	Source data - programme of works		G		B2
4	Duration	G			B2
4a	Start time		G		B2
4b	End time		G		B2
5	Rounding reduction in capacity	G			A2
5a	Reduced capacity		G		A2
5b	Total outage		G		A2

Leakage compliance table

Compliance status:

Our [leakage reporting](#) is compliant with the regulatory guidance, except in five elements and one component (out of ninety-three elements and components). The company has assessed these through external assurance and deemed them all immaterial to the accurate reporting of the performance commitment.

Compliance checklist:

Compliance actions we’re taking:

Specific actions are shown in the table below. As we commence a new AMP, we have taken the opportunity to reset our benchmarking in light of new guidance from Ofwat for reporting this PC and higher expectations both internally and from Ofwat. This has resulted in several lower confidence grades than in APR25, but we can assure our stakeholders that we continue to improve our processes and data.

The coverage of our smart meter data continues to grow. This will provide accurate and up to date information on supply pipe leakage and plumbing losses.

Overall compliance (RAG)	G
Overall confidence grade (data)	A2

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Coverage	G			A1
1a	At least 95% of all properties have continuous night flow monitoring throughout the year.		G		A1
2	Availability	A			A1
2a	Above 90% of all properties within continuous night flow monitoring networks available for reporting night data throughout the year.		A	The average for the year was 87.4%. This is an improvement against 86.2% for APR25 and work continues to bring the number up to the 90% threshold. We are confident of improving our compliance again next year.	A1
3	Properties	G			A1
3a	All properties mapped to defined zones or DMAs (District Meter Area) using geo-location or similar methods		G		A1
3b	Consistency of property numbers contained within DMAs or zones within company billing system. Valid differences explained to the independent third-party assurer.		G		A1
3c	Properties that are defined as void excluded from night use allowances unless evidence for use of losses from illegal occupation is available and assured by an independent third-party.		G		A1

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
3d	Leakage allowance for properties not within DMAs or monitored zones consistent with other leakage estimates		G		A1
3e	Property data updated at least annually		G		A1
3f	Classification of properties as household / non-household according to Ofwat guidance.		G		A1
4	Night flow period and analysis	G			A2
4a	Independent third-party assurance of night use allowances.		G		A2
4b	Change of night use allowances be assured by an independent third-party to ensure validity and representativeness.		G		A2
4c	Night flow data frequency at least every 15 minutes.		G		A2
4d	Leakage derived from a fixed period during the night of between one and two hour periods.		G		A2
4e	If the fixed period is varied during the year for some or all DMAs or zones to address significant changes to night use patterns, such as during Ramadan, evidence for this is provided and assured by an independent third-party.		G		A2
4f	Leakage allowance applied for properties not within DMAs or monitored zones is consistent with other leakage estimates		G		A2
4g	Data infilling for a single DMA or zone/Tile does not use more than three months of historical data before moving to the area average		G		A2
4h	Data infilling where historical data is not available uses the area average in which the DMA or zone/Tile is located.		G		A2

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
4i	When a DMA or zone/Tile is restored to operability, the subsequent leakage data is used to retrospectively update the data infilling interpolating between pre- and post- data over at least one month.		G		A2
4j	Where properties are continuously monitored, the actual values of flow over the night flow period are used in place of estimates within the night flow analysis.		G		A2
4k	Weekly leakage estimates are used for annual reporting with no exclusions for summer months.		G		A2
4l	Negative leakage values are used in compiling values of annual average leakage.		G		A2
4m	The reasons for any prolonged periods of negative leakage are investigated and explained.		G		A2
5	Household night use	G			B3
5a	The night time period for household night use (HHNU) is the same time period as used for night flow and non household night use (NHHNU).		A	NHHNU, night use for household flats, and night flows all use 3:00-4:00am. Night use for houses still uses 3:30-4:30am so we are not yet consistent. We expect to improve our confidence rating to A3 during the AMP; smart meter data will provide accurate and up to date information.	B3
5b	Own data or shared data with proximate companies is used for HHNU.		G		B3
5c	Plumbing losses are included and based on own data.		G		B3
5d	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole and assured by an independent third-party.		A	We use historic night use allowances for HH property types other than flats. We update this data annually for population changes, but not for customer behaviours and plumbing losses.	B3
5e	Sample size is sufficient to capture continuous and intermittent night use with reasonable confidence and assured by an independent third-party.		A	Whilst we believe this data is fit for purpose, we plan to update it during the AMP which may improve our reporting. We expect our confidence rating to improve to A3 during the AMP, but we have applied a lower grading this year.	B3
5f	Continual monitoring and maintenance of IHM (individual household monitor) and SAMs (small area monitors) monitors.		G		B3

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
5g	HHNU is derived daily with regular adjustment of values on a weekly or monthly frequency to reflect actual seasonal use. This may be done retrospectively.		G		B3
6	Supply pipe leakage	G			B3
6a	Methodology is accurate and assured by an independent third-party.		G		B3
7	Non household night use	G			A2
7a	The time period for NHHNU is the same time period as used for night flow and HHNU.		G		A2
7b	Own data or shared data with proximate companies is used for NHHNU.		G		A2
7c	1999 UKWIR methodology with the appropriate time window as used for the night flow and the published outcome of further methodology development is applied.		G		A2
7d	Stratification of non-households to a number of groups and consumption bands is representative of the varying characteristics of commercial and industrial properties.		G		A2
7e	Sample size is sufficient to capture night use by stratifications with reasonable confidence.		G		A2
7f	Reliable and representative average billed volume (ABV) model based on data logging of the representative sample sufficient to capture demand variations with further seasonal logging where relevant. Continuously logged properties not part of the sample.		G		A2
7g	ABV model linked to billing system or replacement database of billed volumes. Average billed volumes updated at least annually.		G		A2

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
7h	Continuous monitoring of selected NHH is carried out where average demand of an individual non-household has a material impact on the ability for a DMA or zones to provide valid and consistent data within operability limits.		G		A2
8	Hour to day conversion	G			A2
8a	The hour-to-day factor is derived separately for each DMA or zone using pressure logging within each DMA or zone. The factors are updated at least annually or where there are any significant changes to pressure regimes.		G		A2
8b	As an alternative, hydraulic models reflecting latest network configuration and pressure changes, are used if they disaggregate in sufficient detail at sub-zone level.		G		A2
8c	Evidence based N1 value used. Expected range is from 1.0 to 1.20		G		A2
9	Annual distribution leakage	G			B3
9a	Average weekly data is derived from valid daily values of leakage using data points which are representative of the week. Backfilling, using the methods described in night flow analysis, is done when valid data is not available for three or more data points.		G		B3
9b	The annual value of leakage expressed as mega-litres per day (ML/d) to be derived from an average of the 52 week data.		G		B3
10	Trunk main losses (only applicable if DMA level leakage assessment used).	G		We have moved to best practice methodology for this component.	A4
10a	Monitor trunk main losses using a flow balance approach or an accurate alternative approach.		G		A4
10b	Company-specific data is used to assess the value of trunk main leakage, using either physical surveys and inspections or a mass balance approach.		G		A4

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
10c	Most recent data available is used to monitor trunk main losses.		G		A4
10c	Company-specific data is used to assess the value of trunk main leakage, using either physical surveys and inspections or a mass balance approach.		G		A4
10d	Proactive leakage monitoring approach applied where trunk main losses form a significant element of total leakage (ie, >5%), or the MLE (maximum likelihood estimation) Water Balance gap is greater than +/-2%.		G		A4
10e	If trunk main losses greater than 5% of total leakage estimates, the data used for deriving the estimates is reviewed annually.		G		A4
10f	If estimates are derived by extrapolation, the sample size and extrapolation approach as accurate as possible, properly documented and assured by an independent third-party.		G		A4
10g	Imbalance in estimates should be investigated to ensure no material impact on accuracy.		G		A4
10h	If estimating through BABE approach, the methodology, calculation and figures is assured by		G		A4
10i	Where the company has redefined length of pipe as trunk main, the estimated leakage from those additional lengths is not estimated using a BABE approach.		G		A4
10j	If the company estimates trunk main losses using a BABE approach, the company should explain in its APR submission the steps it is taking to move away from that approach.		G		A4

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
11	Service reservoir losses (only applicable if DMA level leakage assessment used).	G			A4
11a	Company specific data is used to assess the value of service reservoir losses.		G		A4
11b	Reservoirs with known high leakage, structural deficiencies or at risk of water quality failures are investigated on an individual basis.		G		A4
11c	Drop tests (12 hour duration depending on size) carried out every five or ten years. All valves checked for tight close; and losses through overflows investigated. Appropriate monitoring arrangements in place to control and minimise overflow events.		G		A4
12	Distribution input (DI)	G			A2
12a	Distribution input to the system is metered with at least daily readings at all defined locations.		G		A2
12b	Meters are appropriate size for the flow to be measured and located at appropriate inputs to the network confirmed by record plans. Any treatment works take-off downstream of a meter are excluded from the DI calculations.		G		A2
12c	Data validity checks are carried out at least monthly.		G		A2
12d	Missing data is infilled using both pre- and post- data for the location over at least one month, extrapolated from pump hours or used of upstream or downstream meters.		G		A2
12e	The data transfer systems from meter output to central database are checked and validated on a risk-based frequency from one up to two years.		G		A2

Leakage compliane table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
12f	Flow checks are carried out on DI meters consistent with the principles of the document ‘EA Abstraction Good Metering Guide’ and in particular the frequency of flow checking defined in Table 6.2 of the Environment Agency guide. Where the checks show under registration greater than 3% the results shall be subject to independent third-party assurance.		G		A2
13	Meter Under-Registration (MUR)	G			B3
13a	Meter under-registration (MUR) is applied consistent with own estimates. Evidence of MUR available and is compelling for MUR above 3%. Any MUR above 3% shall be subject to independent third-party assurance.		G		B3
14	Company own water use	G			B3
14a	All sewage treatment sites, and other sites and assets supplied downstream of the DI meters using greater than 10m3/d (0.01 ML/d) are metered.		A	Some of the very smallest sewage treatment works are unmetered, and it has not been possible to read all STWs meters during the year. This is a challenging element to improve.	B3
14b	An estimate of total company own use is included in the water balance, based on a clear methodology and actual data.		G		B3
14c	Estimate of distribution operational use is evidence based and not greater than 0.6% of distribution input.		G		B3
15	Other water use	G		The nature of this small component means that a high accuracy is difficult to achieve; voids data (the largest factor) will be improved with smart metering.	C5
15a	Other use components are based on own data.		G		C5
15b	Estimate of water delivered unbilled (legally and illegally) is evidence based and not greater than 1.8% of distribution input.		G		C5
15c	Estimates are updated when there is a material increase or decrease to volumes.		G		C5

Leakage compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
16	Water Balance and MLE	G			A1
16a	Set out MLE approach. Apply it in identifying Water Balance gap. Report each element separately.		G		A1
16b	Water Balance discrepancy: <2% = G, >2% and <3% = A, >3% =R. Explain in cases of >2%.		G		A1
16c	Add any Water Balance in excess of +5% gap to the leakage component.		G		A1
16d	Revisit all material components of Water Balance where the Water Balance gap is >±5% to the leakage component.		G		A1
16e	Water Balance including confidence intervals for all components of Water Balance are assured by an independent third-party. Confidence intervals for all components to fall within the respective expected range or compelling evidence is provided to Ofwat through the APR.		G		A1
17	The information and assumptions made for leakage, per capita consumption and business demand PCs is consistent and be based on the same Water Balance calculations.	G			A1
18	In case of varying its 2019-20 leakage baseline relative to the final determinations baseline, provide commentary in APR.	G			A1
19	Disclose in the APR where its methodology does not comply using this checklist, and any factors which have an impact on the methodology for reporting leakage.	G			A1

Per Capita Consumption compliance table (‘PCC’)

Compliance status:

Our [per capita consumption reporting](#) is compliant with the regulatory guidance in all areas.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	A3

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Household population estimates	G			B3
1a	Household population derived using WRMP methodology.		G		B3
1b	Evidence for adjustments for clandestine population if any.		G		B3
1c	Household population updated annually.		G		B3
1d	Exclusion of nonhousehold population in accordance with WRMP methods.				B3
2	Household premises estimates	G			A1
2a	Definition of household/ non-household consistent with eligibility under market separation.		G		A1
2b	Evidence of void premises updated annually.		G		A1
2c	Property figures annually updated.		G		A1
3	Measured household consumption	G			A2
3a	Metered data is derived from own billing system.		G		A2
3b	If leakage allowances are applied the process and evidence for this is clearly set out.		G		A2
3c	Average supply pipe leakage (SPL) deductions for externally metered households using company own data updated annually.		G		A2

Per Capita Consumption compliane table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
3d	Meter under-registration (MUR) is applied consistent with own estimates. Evidence of MUR available and is compelling for MUR above 3%.		G		A2
3e	Meter replacement consistent with own replacement programme		G		A2
4	Unmeasured Household Consumption	G			A3
4a	Monitors follow principles set out in the UKWIR report ‘Best Practice for unmeasured per capita consumption monitors 1999’ and the more recent report ‘Future Estimation of Unmeasured Household Consumption.		G		A3
4b	Consumption is derived from own individual household monitors (IHM) or small area monitors (SAM) or evidence to support other method appropriate for high meter penetration companies.		G		A3
4c	Evidence that survey is representative (based on demography, property type or other factors) of the company as a whole; valid data available from at least 80% of monitors as an annual average measure.		G		A3
4d	For companies using SAMs - SAM comprises a representative sample of customer’ characteristics. The sample size is sufficient to provide a statistically representative sample after allowing for outages. Where the proportion of metered premises in an area exceeds 50% of total premises then further data validity tests are applied. For companies using IHMs – IHM comprises representative sample of customer characteristics. The sample is at least 1000 premises.		G		A3
4e	Uncertainty allocated to unmeasured household consumption is estimated and justified.		G		A3

Per Capita Consumption compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
4f	There is continual monitoring and maintenance of IHMs and SAM monitors.		G		A3
4g	The meters shall provide sufficient granularity of data to distinguish between intermittent consumption and continuous flows. Continuous flows may indicate a combination of SPL or plumbing losses. These meters should be maintained and replaced such that applied MUR is notably lower than that applied to the company’s standard meter stock.		G		A3
4h	Estimate of plumbing losses is based on own data.		G		A3
4i	Company’s own estimate of MUR for monitor meters, which is updated annually. Evidence of MUR available and is compelling for MUR above 3%.		G		A3
4j	Meter replacement consistent with own replacement programme.		G		A3
5	The information and assumptions made for leakage, per capita consumption and business demand PCs is consistent and be based on the same water balance calculations.	G			A1

Business Demand compliance table

Compliance status:

Our [business demand reporting](#) is compliant with the regulatory guidance in all areas.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	B2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Business premises estimates	G			A1
1a	Definition of household/ non-household premises consistent with Ofwat’s eligibility guidance.		G		A1
1b	Premises figures annually updated.		G		A1
2	Measured business demand	G			B2
2a	Metered data is derived from source.		G		B2
2b	If leakage allowances are applied the process and evidence for this is clearly set out.		G		B2
2c	Average SPL deductions for externally metered business demand using company own data updated annually.		G		B2
2d	Properties that are defined as void excluded from night use allowances unless evidence for use of losses from illegal occupation is available and assured by an independent third-party.		G		B2
2e	Meter replacement consistent with own replacement programme.		G		B2
2f	Demand at void nonhousehold premises.		G		B2

Business Demand compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
3	Unmeasured business demand	G			B4
3a	Company has used a study of the consumption of measured nonhouseholds of similar categories and applying a recognised statistical approach.		G		B4
3b	Where unmeasured business reported volume is less than 2% of total business demand, data from a per premise consumption study is refreshed every five years. Where unmeasured business reported volumes are greater than 2% of business demand, data from a premise study is refreshed every two years.		G		B4
4	The information and assumptions made for leakage, per capita consumption and business demand PCs is consistent and is based on the same water balance calculations.	G			A1
5	Company has explored options to deliver water efficiency in collaboration with: i) water supply licensees (retailers); ii) and other third parties.	G			A1

Biodiversity compliance table

Compliance status:

Our [biodiversity reporting](#) is compliant with the regulatory guidance, except in one area (out of ten), the measurement of deterioration which the company has assessed as being out of scope for compliance assurance this year.

Compliance actions we’re taking:

We have established robust measuring and governance processes for this PC. We do not believe it is possible to measure component 3, deterioration, during this first year of the AMP as we have not yet completed any biodiversity units, but we will apply a R/A/G rating for this component from APR27 onwards.

Overall compliance (RAG)	G
Overall confidence grade (data)	A1

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Appropriate actions are taken to conserve and enhance biodiversity	G			A1
1a	Stakeholders identified and appropriately engaged with.		G		A1
1c	Management interventions are guided by appropriate expert ecological advice.		G		A1
2	Assessments are undertaken to assess changes in biodiversity on nominated sites.	G			A1
2a	Assessors are selected that have training/experience appropriate to the habitat being surveyed.		G		A1
2b	Information is collected so that assessments on each site can be undertaken in as similar way as possible across a pair of surveys over time.		G		A1
2c	Site surveys are carried out at four year intervals using the baseline pre-intervention assessment of the biodiversity metric (and, where necessary, any earlier version of this metric in accordance with section 1.1).		G	Baseline surveys have been undertaken for all sites and will be repeated at four year intervals.	A1
2d	Appropriate management is in place to conserve biodiversity and the company has no information that there may have been a loss in biodiversity, that it has not taken proportionate action to address.		G		A1

NB: Component 1b is only applicable in Wales and does not apply to

Biodiversity compliance table (continued)

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
3	Overall biodiversity across sites, not included in the biodiversity metric, is not deteriorating.	N/A		Processes are in place but not yet measurable until year 2	A1
3a	The company follows the assurance processes set out in its 2024 business plan in accordance with the Assurance Requirements and with any guidance Ofwat issues.		G		A1

Sewer Collapses compliance table

Compliance status:

Our [sewer collapses reporting](#) is compliant with the regulatory guidance in all areas, continuing our compliance throughout AMP7.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	B2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Number of collapses	G			B2
2	Sewer length	G			B4
3	Length excluding transferred sewers	G			B2
4	Length of sewers transferred under the Private Sewer Regulations 2011	G			C4

Internal Sewer Flooding compliance table

Compliance status:

Our internal [sewer flooding reporting](#) is compliant with the regulatory guidance in all areas.

The confidence grades reflect sound evidence with some reliance on established documentation. Existing controls, including routine data validation, consistent application of guidance, and periodic records reviews, provide assurance over data quality and continued compliance.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	B2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Assets causing flooding	G			A2
2	Repeat incidents	G			B2
3	Neighbouring properties	G			B2
4	Records	G			B2

External Sewer Flooding compliance table

Compliance status:

Our external [sewer flooding reporting](#) is compliant with the regulatory guidance in all areas.

We will only be able to ascertain repeat incidents going back five years according to SFHD records (for the supplementary information).

There is some use of extrapolation when it comes to the portion of the floods found through audits of blockage and pollution investigations.

Compliance actions we’re taking:

We are confident of maintaining compliance through current processes and governance frameworks.

Overall compliance (RAG)	G
Overall confidence grade (data)	A2

Compliance checklist:

	Component	Component R/A/G	Element R/A/G	Reason for any non- compliant component	Confidence grade
1	Assets causing flooding	G			A2
2	Repeat incidents	G			B2
3	Neighbouring properties	G			A2
4	Records	G			B2