



8 August 2025

**Attention: Mr Paul Hickey**  
**Managing Director, Regulators' Alliance for Progressing Infrastructure**  
**Development (RAPID)**

Ofwat  
Centre City House  
7 Hill Street  
Birmingham  
B5 4UA

## South East Strategic Reservoir Option Strategic Resource Option: Gate Three Submission

Dear Paul,

Thames Water, as lead party for the development of the South East Strategic Reservoir Option (SESRO) Strategic Resource Option (SRO), is pleased to submit evidence that RAPID's requirements for Gate Three have been met.

The Gate Three submission comprises of this covering letter, supported by the Thames Water Board assurance statement and those of our partner water companies – Southern Water and Affinity Water – along with the Gate Three Detailed Feasibility and Concept Design report, with accompanying references and annexes A – I.

Our Board continues in its support of SESRO, a vital part of our Water Resources Management Plan. The team is highly committed to delivering the project in accordance with the programme set out in the Gate Three report, acknowledging that there are uncertainties and risks to be managed, as we make progress towards being "construction ready" for 2025-2030. Those risks include the availability of development funding, progress on planning and consents, supply-chain/workforce capability, and the risk arising from the complexity of working within a multi-agency and multi-company delivery framework.

We welcome recognition in your current consultation on the "PR24 Cost Change Process" that the success of projects, such as SESRO, is not solely in the control of developers. We will be responding to that in due course and see this as a vital

means of allowing uncertainty to be managed efficiently and in a way that delivers best value to customers.

We look forward to receiving your feedback and, in the meantime, will continue our efforts towards securing the Development Consent Order, completing the Ofwat staged procurement process and delivering RAPID Gate Four.

Yours sincerely,

Chris Weston  
Chief Executive Officer, Thames Water Utilities Ltd

## Gate Three: Detailed Feasibility and Concept Design

### South East Strategic Reservoir Option Strategic Resource Option

### Board Assurance Statement

This Board assurance statement is provided by Thames Water for the South East Strategic Reservoir Option (SESRO) SRO. We have worked efficiently and effectively in our role as the Lead Party for the development of the gate three solution on behalf of Thames Water, Affinity Water and Southern Water customers. In support of this statement we have undertaken our company assurance and due diligence.

The Board has received sufficient evidence that the SESRO gate three submission complies with RAPID guidance, and maintains its full support for the project. The Board:

- supports the recommendations for solution progression made in the submission at gate three and the recommendations for which option within the solution should be progressed;
- is satisfied that a realistic and achievable programme for the solution is presented in the report, there are no insurmountable obstacles to the delivery of the solution in accordance with that programme and that progress and continuing development of the solution at gate three in accordance with that programme is commensurate with the solution being "construction ready" for 2025-2030 (subject to current uncertainties being addressed, including but not limited to: availability of development funding, progress on planning, appropriate and timely financing, supply chain availability and workforce capacity).
- is satisfied that significant risks to the delivery of the solution in accordance with the programme and within current cost projections, have been identified and that mitigations are being developed through routine risk management processes, recognising that not all risks are in the control of the solution.
- is satisfied that the progress on the work carried out for gate three is of sufficient scope, detail and quality to ensure that applications can be made for development consent orders, planning applications and other necessary statutory consents and permits at the right time, in accordance with the schedule set out in the gate three report. The work carried out at gate three is commensurate with the solution being "construction-ready" for 2025-2030; and
- is satisfied that expenditure has been incurred only on activities that are appropriate for gate three and is efficient and cost effective.

## Board Assurance Considerations

	Statements	Considerations
1	It <b>supports the recommendations</b> for solution progression made in this submission and the recommendations for which options with the solution should be progressed.	<p>The recommendations and methodology regarding scheme progress for the solution have been agreed by the scheme partners and discussed with RAPID.</p> <p>The Executive and Board reviewed and discussed the conclusions and approved the recommendations for the solution.</p> <p>Independent external assurance was completed on behalf of the SRO with findings reported to the Board.</p>
2	It is satisfied that a realistic and achievable programme for the solution is presented in the report, there are no insurmountable obstacles to the delivery of the solution in accordance with that programme and that progress and continuing development of the solution at gate three in accordance with that programme is commensurate with the solution being <b>"construction-ready"</b> for 2025-2030	<p>The Executive reviewed the detailed project plan and the sources of data used to carry out the assessment</p> <p>The detailed project plan showing when the solution will be construction ready is in place and has been reported to the Board</p> <p>Independent external assurance was completed on behalf of the SRO with findings reported to the Board.</p>
3	It is satisfied that <b>significant risks</b> to the delivery of the solution in accordance with the programme and within current cost projections, have been identified and that mitigations are being developed through routine risk management processes, recognising that not all risks are in the control of the solution.	<p>A thorough risk management process has been defined and applied in the re-estimate of capex costs for the scheme, which have been reviewed and approved by the Executive</p> <p>Independent external assurance was completed on the scheme costs and risks behalf of the SRO with findings reported to the Board.</p>
4	It is satisfied that the progress on the <b>work carried out for gate three</b> is of sufficient scope, detail and quality to ensure that applications can be made for development consent orders, planning applications and other necessary statutory consents and permits at the right time, in accordance with the schedule set out in the gate three report. The work carried out at gate three is commensurate with the solution being "construction-ready" for 2025-2030; and	<p>Technical teams drafted a range of technical supporting documents, including a design report, which were reviewed and approved by the Executive.</p> <p>An Environmental Impact Assessment Scoping opinion has been provided by the Planning Inspectorate, and the implications of this have been shared by the Executive</p> <p>Peer review of documents focused on scope, detail and quality was completed with findings reported to the Executive</p> <p>Independent external assurance was completed on behalf of the SRO with findings reported to the Board.</p>
5	The Board is satisfied that <b>expenditure</b> has been incurred only on activities that are appropriate for gate three and <b>is efficient and cost effective</b> .	<p>A detailed review on activity expenditure has been shared and reviewed at Executive with key findings reported to the Board.</p>

