Hampshire Water Transfer & Water Recycling Project

WRMP24 Position Statement

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1 Introduction

1.1.1 This Position Statement provides the Examining Authority (ExA) with an update on the status of the Applicant's emerging Water Resources Management Plan 2024 (WRMP24) and to assist with the examination of the application.

1.1.2 Each water undertaker must (under section 37A of the Water Industry Act 1991) prepare, publish and maintain a water resources management plan (WRMP), which is a plan for how the water undertaker will manage and develop water resources to meet its water supply obligations. Southern Water's current WRMP was published in December 2019 (WRMP19). Southern Water commenced preparation of its WRMP24 in 2020 and following two rounds of consultation submitted its final draft WRMP24 (fdWRMP24) to the Secretary of State for the Department for Environment, Food and Rural Affairs (Defra) on 30 May 2025. This confirmed the Project as a key part of Southern Water's Water for Life Hampshire (WfLH) strategic programme.

1.1.3 Southern Water's emerging WRMP24 responds to requirements for water undertakers to work in regional groups to develop strategic regional plans. Water Resources South East (WRSE) published its Final Regional Plan (FRP) in June 2025, the development of which has been fully integrated with the development of Southern Water's emerging WRMP24. The WRSE FRP identifies a need for six water recycling schemes by 2035 in the South East region including the Project.

1.1.4 The Project has also been supported by the Regulators Alliance for Progressing Infrastructure Development (RAPID) for continued development through its gated process from Gate 1 (September 2020) through to Gate 4 (submitted in July 2026) which is the final gate and represents a closing of the RAPID gated process for the Project. Gate 4 represents a checkpoint approximately two months after the date when a planning application (either for development consent or under the Town and Country Planning Act) has been submitted, indicating the Project has progressed into a sufficient level of maturity to go through the consenting process. Ofwat's assessment at Gate 4 will focus on matters not covered by the DCO process or other permit or consent applications such as cost assessment and efficiency of spend.

1.1.5 **On 13 August 2026, Defra gave Southern Water permission to publish its WRMP24** (attached at Appendix A), subject to a direction made under section 37B of the Water Industry Act 1991 to make certain amendments within four months of the date of the letter. **Southern Water is addressing these matters (set out at Annex 1 of the permission to publish letter) and intends to publish its WRMP24 by 12 December 2026**. Once published, WRMP24 will represent the most up to date position on need and water resources planning, superseding WRMP19 and the emerging draft of WRMP24, and aligning with the WRSE FRP.

1.1.6 Annex 2 of the permission to publish letter sets out actions that Defra expects to be progressed and completed by Southern Water within 12 months from the date of the letter. These Annex 2 actions are not required to be addressed prior to the publication of WRMP24 and do not affect the status of WRMP24 once published.

1.1.7 This Position Statement is provided to assist the examination in view of the draft timetable published with the Rule 6 letter and the examination activities (including the initial hearings on 11 and 12 November and the publication of the ExA's first written questions on 2 December 2026).

2 Policy effect of WRMP24 publication

2.1.1 This section of the Position Statement identifies what the publication of WRMP24 will mean in practice for the examination of the application having regard to relevant policies of the National Policy Statement for Water Resources Infrastructure (NPSWRI).

2.2 Need

2.2.1 Paragraph 1.4.7 of the NPSWRI is currently engaged. It requires that, where a project is not included in a final WRMP, development consent applications should demonstrate the need for the project on a case by case basis. The Applicant provides this case in detail at Chapter 2 of the Case for the Project [APP-057].

2.2.2 Where a project is identified as a preferred option in a final WRMP (including projects subject to a section 35 direction as is the case) the NPSWRI (paragraphs 1.4.5 and 1.4.6) is clear that 'need' will not be revisited as part of the application for development consent. **Upon publication of WRMP24 by 12 December 2026 this will apply to the Project – need should therefore not be revisited through the examination.**

2.2.3 Chapter 2 of the Case for the Project [APP-057] will continue to provide relevant information particularly to inform and frame the benefits of the Project but will not be necessary for the purposes of demonstrating need once the final WRMP24 is in place.

2.2.4 The Applicant will update the Case for the Project accordingly once WRMP24 is published. This will update the requirement under paragraph 2.5.12 of the NPSWRI for applicants to submit *"a clear assessment of the proposal in the context of the water resources management plan*". The application as submitted had full regard to the emerging WRMP24 and therefore other than the change in status and weight to be applied the updates are likely to be contextual rather than substantive.

2.2.5 In the meantime, the Applicant requests that this updated position regarding the date for publication is taken into consideration with regard to any potential discussion or questions regarding need.

2.3 Alternatives

2.3.1 Paragraph 3.5.1 of the NPSWRI sets out the requirement for the applicant to comply with the relevant legal obligations and policies requiring an assessment of alternatives providing a non-exhaustive list of examples, including under the Environmental Impact Assessment Regulations, under the Habitats Regulations and Water Environment (Water Framework Directive) (England and Wales) Regulations 2017 (Water Framework Directive Regulations) as far as applicable and policies in the NPSWRI for example the flood risk sequential test.

2.3.2 The WRMP process is highly relevant to the approach to consideration of alternatives and compliance with these legal and policy requirements.

2.3.3 Paragraph 3.5.2 of the NPSWRI advises that information from the WRMP options appraisal process "*will be relevant to demonstrate how alternative options have been considered, insofar as required under paragraph 3.5.1*" and again confirms that "*the question of need would not be reopened when considering applications for development consent".*

2.3.4 The NPSWRI also highlights that the process of optioning and strategic assessment undertaken through the WRMP process is comprehensive, advising that:

- *'The optioning stage of the water planning process is thorough and detailed. It requires a large number of options, and combinations of options, to be identified and modelled which have the potential to meet the identified need. Any option included in a final water resources management plan will need to consider feasibility and reliability as well as taking account of potential environmental and social impacts.'* (paragraph 2.5.8)
- *'Water resources management plans and the schemes identified as preferred options in them are subject to important statutory environmental assessments including a Habitats Regulations Assessment and Strategic Environmental Assessment. The Strategic Environmental Assessment is fully integrated into the water resources management plan process from the earliest stages. These assessments support the process for identifying the most appropriate options to be included in a final water resources management plan.'* (paragraph 2.5.9)

2.3.5 This is reflected in the extensive options appraisal process undertaken as part of the RAPID process arising from the requirement to further consider alternatives to the then preferred desalination solution identified in WRMP19. The options appraisal process identified the Project as a strategic alternative to the WRMP19 preferred desalination solution, and as a variant to the water reuse strategic alternative also identified in WRMP19. The Project, alongside a number of other alternative options, progressed through a number of stages of detailed review, considering a range of technical, environmental, planning, social and economic criteria. The outcome of the options appraisal process led to the selection of a water recycling and water transfer option, then known as Option B.4, as the preferred water resources solution for the Western Area.

2.3.6 The publication of WRMP24 will formalise the inclusion of the Project in a published WRMP confirming it as the selected option for providing the scale of water supply needed in the timescale required. Other solutions have been extensively considered through the options appraisal process but are not available at the scale needed and in the timescales required.

2.3.7 With regard to the legal requirements under the EIA Regulations, paragraph 3.5.3 of the NPSWRI states that '*the consideration of alternatives, as required under the Environmental Impact Assessment Regulations, must begin in the earliest stages of scheme evolution. The starting point should be a review of the optioneering carried out for the regional and water resource management plan development processes'.*

2.3.8 ES Chapter 4 Consideration of alternatives [APP-083] provides relevant context, confirming how the Project was selected through the options appraisal and WRMP processes and the Scheme Development Report [APP-073, APP-074, APP-075] sets this out in further detail.

2.3.9 The Applicant considers that alternative infrastructure options which would not meet the supply need determined by the Applicant's WRMP are not reasonable alternatives to the Project. The publication of WRMP24 reinforces this approach.

2.3.10 Following selection of the Project through the options appraisal and WRMP processes, the Project has been refined, and a detailed environmental impact assessment has been carried out in support of the DCO application. Consideration of reasonable alternatives in the context of the iterative design process, in accordance with the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017, is set out within ES Chapter 4 Consideration of Alternatives [APP-083].

2.4 Habitat Regulations Assessment

2.4.1 As noted at paragraph 2.5.9 of the NPSWRI '*Water resources management plans and the schemes identified as preferred options in them are subject to important statutory environmental assessments including a Habitats Regulations Assessment and Strategic Environmental Assessment. The Strategic Environmental Assessment is fully integrated into the water resources management plan process from the earliest stages. These assessments support the process for identifying the most appropriate options to be included in a final water resources management plan'*. Paragraph 4.3.4 of the NPSWRI then notes that a plan level Habitats Regulations Assessment undertaken for water resources management plans should identify likely significant effects and necessary mitigation measures.

2.4.2 The publication of WRMP24 will again not change the assessment in the Application Habitats Regulations Assessment – Stage 2 Appropriate Assessment and Marine Conservation Zone – Stage 1 Assessment [APP-053] but supports at a strategic level and reinforces the Application specific conclusions.

2.5 Project benefits

2.5.1 Section 7 of the Planning Policy Statement [AS-014] sets out the planning balance having regard to the benefits and adverse impacts of the Project. This attributes very great weight to protecting Hampshire's chalk streams, guaranteeing future water supply and the beneficial health effects of avoiding a potential future water deficit. This is all rooted in the Applicant's water resources management plan process. The publication of WRMP24 will not change the Applicant's case but again will serve to reinforce it.

Appendix A Permission to publish WRMP24

Department for Environment Food & Rural Affairs

T: [redacted]
helpline@defra.gov.uk

www.gov.uk/defra

[redacted]
CEO
Southern Water

Date: 13 August 2026

By email only: [redacted]@southernwater.co.uk

Dear Lawrence,

Southern Water – Water Resources Management Plan 2024

In respect of the above matter, the Department for Environment, Food and Rural Affairs has now carefully considered the following:

- Southern Water's draft Water Resources Management Plans ("WRMP") (submitted in October 2022 and June 2024).
- Representations made in respect to both draft WRMPs.
- Southern Water's Statement of Response to those representations (submitted in August 2023 and May 2025).
- The final draft WRMP also submitted in May 2025.
- The Environment Agency's technical advice.

I am now informing you, on behalf of the Secretary of State, that she directs Southern Water, under section 37B of the Water Industry Act 1991 (the "Act"), to amend its draft WRMP prior to publication and within four months of this letter, in accordance with Annex 1 attached.

Annex 2 attached sets out actions and improvements that Defra expects to be included in the project plan referred to in Annex 1 and progressed and completed by Southern Water within 12 months from the date of this letter.

It is important Southern Water continues to engage with regulators and the Water Delivery Taskforce to ensure these directions are complied with, and we would expect it to inform them of any significant changes and developments since submission of the draft WRMP. I recommend that before Southern Water publishes a final WRMP, it should confirm completion of work set out in the direction with Defra, the Environment Agency, Natural England and Ofwat, and also include any updates as to progress in respect of the improvements and actions in the project plan. **Southern Water must improve its WRMP to secure water supplies sustainably for the environment.**

Information excluded from the final Water Resources Management Plan

In accordance with section 37B of the Act, the final WRMP should be published with a statement as to whether any information has been excluded from the published WRMP on the grounds that it is commercially confidential or would be contrary to the interests of national security. This statement should describe the general nature of the information excluded.

The Secretary of State may determine under section 37B of the Act whether any information identified by the water company to Defra is or is not commercially confidential. Southern Water's draft WRMP included a statement that it did not include commercially confidential information.

When the pre-consultation draft WRMP was sent to the Secretary of State, Southern Water also included a statement of compliance confirming the draft WRMP contained no information which is not to be published on national security grounds.

In accordance with section 37B of the Act, if, following further revisions of the draft WRMP in compliance with the directions, it contains information that is considered to be commercially confidential, you should give notice to the Secretary of State using the email address below, prior to publication, indicating the nature of any such information and, if relevant, the name and address of service of the person(s)/business(es) to whom the information relates. The Secretary of State will determine whether the information is or is not commercially confidential and, in accordance with her determination, either confirm her direction or revoke and issue a new one.

When publishing it's final WRMP, having complied with the necessary directions, Southern Water should inform Defra, Ofwat, the Environment Agency and, where relevant, Natural England. You should email Defra at: water.resources@defra.gov.uk, Ofwat at: wrmp@ofwat.gov.uk and the Environment Agency at: Water-Company-Plan@environment-agency.gov.uk.

Steps following publication of the final Water Resources Management Plan

Section 37A of the Act requires a water company to maintain its WRMP. It further requires a water company to review its WRMP and to send a statement to the Secretary of State of its conclusions before each anniversary of the publication date of the plan. If following conclusion of the annual review, the review indicates a material change of circumstances or if Southern Water are so directed by the Secretary of State, section 37A of the Act requires it to prepare a revised WRMP. In any event, Southern Water is required to prepare and publish a revised WRMP within five years from the date of publication of the most recent plan. Section 37B applies to the preparation and publication of the revised plan.

I am copying this letter to the Environment Agency, Ofwat, and Natural England.

Yours sincerely

[redacted]

[redacted]
Deputy Director, Floods and Water
[redacted]
[redacted]@defra.gov.uk

Annex 1: Direction Southern Water must complete prior to publication

Prior to the publication of Southern Water's WRMP, and based on advice from the Environment Agency, you are **directed under section 37B of the Water Industry Act 1991** to amend the WRMP to set out the following:

- (A1.2) That the Candover drought option is not being relied upon whilst it is unavailable and reflect the supply demand balance impact of this.
- (A1.7) Revisions to the Portsmouth Water bulk supply assumptions for Sussex North and Hampshire showing the reduced imports during dry conditions as agreed with Portsmouth Water, and the risks around these revised assumptions including how these risks will be reviewed and managed.
- (A1.8) The updated supply demand balance to reflect the impact of any leakage and outage updates, bulk supply assumptions and any further supply scheme changes, to include an assessment of the materiality of these updates, indicating whether the revised deficit can be fully addressed with the options selected within the WRMP.
- (A1.1) Correct scheme information and delivery timescales consistently across the WRMP and data, including the latest most likely water recycling timescales and the latest Havant Thicket reservoir timescale by amending data errors and ensuring data in the planning tables, narrative and between neighbouring water companies is coherent and accurate. Ensure that revisions to delivery dates reflect and align those also reported in the latest Delivery Plans, RAPID engagement and large scheme oversight processes.

Southern Water must take all feasible steps to deliver these changes as soon as possible and no later than 4 months from receipt of this direction letter.

Prior to publication, based on advice from the Environment Agency, Southern Water are also **directed** under section 37B of the Water Industry Act 1991 to amend the WRMP to include a project plan. Our expectation is that the project plan will set out that Southern Water will address the points in **Annex 2 to this letter** within 12 months from the date of this letter and include the work plan for delivering and completing these, incorporating the timescales (overall duration or schedule for the specific actions) and key milestones (specific checkpoints in those schedules).

Southern Water must take all feasible steps to include the project plan as soon as possible and no later than 4 months from receipt of this direction letter.

Southern Water should separately share the project plan with water regulators. The project plan will also be provided by Defra officials to the Water Delivery Taskforce, which will establish a sub-group to monitor progress of actions by way of formal checkpoints of the delivery of key milestones.

Where it is possible for the actions outside of those directed for to be completed within 4 months prior to the publication of the WRMP, these should also be reflected in the published plan.

Annex 2

Defra expects the following actions and improvements to the WRMP to be progressed and completed by Southern Water via a project plan within 12 months from the date of this letter. Our expectation is that the WRMP will be updated to reflect the completion of these actions.

Southern Water will reassess its latest situation and identify any necessary revisions to the planning problem (specifically the supply demand balance deficit) that may have emerged. Southern Water will:

- (A1.3) Rebase its 2025/26 leakage starting points to ensure the WRMP is realistic, reflecting a deliverable outcome from the 2025/26 leakage position and ensure there is a continued leakage reduction profile across the planning period. However, this should have regard for PR24 performance commitment levels (PCL) and at a minimum, Southern Water's WRMP should align with the 2029/30 annual PCL level set, as per its funded programme.
- (A1.4) Review whether the WRMP24 starting points for household water consumption and metering levels are appropriate based on 2025/2026 data reported.
- (A1.5) Review and re-base outage 2025/26 starting points to a more realistic level to reflect current 2025/26 outturn data across zones. Specifically explain why 90% of outage sits in four WRZs and assess risks in zones with zero outage allowance. WRMP24 outage profiles and starting points need to be deliverable at a zonal level.
- (A1.6) Explain how process losses have been forecast in the plan and review the appropriateness of this, considering the latest 2025/26 rates of losses observed. Include percentage adjustments applied to deployable output and explain individual contribution to total company level process losses (~15 Ml/d).

Given the extended reliance on drought options to address the significant and immediate supply demand balance deficits, Southern Water will prioritise additional options appraisal activity. Southern Water will:

- (A2.1) Reassess the feasibility of all the 15 options rejected at **Annex 2.** Include any other identified feasible options that could help address the plan deficit up to 2040/41, including feasible options with longer lead-in within adaptive plans. These options should be explored to reduce reliance on drought permits and improve resilience. The list of rejected options set out in **Annex 2,** which also reflects representations from regulators and third parties, which in summary are:
    - Long lead times alone are not valid grounds for rejection, especially given current delivery risks.
    - While some of the options listed are associated with potential environmental impacts and risks that would need to be avoided or mitigated, this is not considered to be a valid reason for rejection

without a full appraisal and fair comparison of risks and benefits against other options.

- (A2.2) Consider the implications on the selection and timing of other options following the re-appraisal.
- (A2.3) Provide further evidence for the selection and rejection of options including in the 2023 'targeted options appraisal' and 2025 ‘rapid options appraisal’.
- (A2.4) Clearly set out how best value decision making has been applied to any further options appraisal work undertaken following this action.

Southern Water’s WRMP increases and prolongs reliance upon drought options, enabling abstraction outside of licensed conditions on the Rivers Test and Itchen in the Hampshire area. This goes beyond what is currently covered in the section 20 (s20) agreement between Southern Water and the Environment Agency in terms of both the scale of reliance on these options over the next 10 years and the timing exceeding the current 2030 end point of the s20 agreement (March 2030). In addition, the Candover drought scheme is not yet operational with additional pressure on the Itchen drought order that is not reflected in the s20 agreement. As a result, the monitoring, mitigation and compensation established through the existing s20 agreement will need to be reassessed in the context of the additional reliance and longer timeframe.

Southern Water will need to work with the Environment Agency on an amendment to the s20 agreement for the use of drought options in Hampshire.

Southern Water will also:

- (A3.1) Clearly explain and quantify the additional reliance on drought options to address the supply deficit following the removal of the sea tankering option, the non-availability of the Candover drought option and the impact of other actions that affect the deficit as set in the previous actions. Include the extended duration, frequency, return period and deficit they cover at different drought scenarios, including for less severe droughts (including return periods below 1 in 100 years), and ensure consistency across the plan and data tables.

- (A3.2) Undertake the additional steps required to secure the drought options being relied upon and produce a formal work programme to deliver full application readiness for these drought options.

  This must include further project level HRA work to quantify and agree if and where additional mitigation is required, whether this is sufficient to address risks of adverse effects on protected sites including the salmon metapopulation, or whether compensatory measures are required.
  If any mitigation and/or compensation activities were found to be required, these could include a range of actions such as those listed below. These reflect the work already carried out by Southern Water and/or regulators to develop a long list of specific potential measures in the Test, Itchen, Candover

and Meon catchments. Some of these measures are already in progress or have been delivered through other investigations such as WINEP or the existing s20. Some measures could be implemented relatively quickly, within 1–2 years, while others would contribute to a long-term restoration strategy. This unconstrained list, subject to review, update and expansion to cover the Central area, is expected to provide the basis for selecting appropriate mitigation and/or compensation measures if needed.

Types of mitigation and/or compensation measures activities, if required, could include those listed below:

- Changes to abstraction regime/licence
- Fish passage review and improvements
- River/habitat enhancement and bank improvements
- Shading and spawning habitat enhancement programmes
- Resourcing projects preventing Invasive Non Native Species spread
- Buying out/incentivising changes in fishery practices
- Land purchase for habitat creation
- Water quality improvements including activity targeting agricultural, highway and other diffuse pollution sources

- (A3.3) Clearly set out how the activity will be delivered, including dedicated funding and resourcing by Southern Water, establishing the role of any delivery partners within this.

- (A3.4) Establish a clear formal tracking and reporting process. We expect this to include annual reporting of progress to Defra, the EA and NE.

- (A3.6) Ensure drought permit and order application readiness across all drought options being relied upon within WRMP24 ahead of prospective drought applications. This includes updated environmental assessments and the actions set out above are likely to be critical to full application readiness in Hampshire.

Given the WRMP's reliance on a number of preferred options that carry significant environmental risks, Southern Water should maintain appropriate SEA, WFD and Habitats Regulations assessments prior to the options intended use. Southern Water should carry out the following specific actions:

- (A4.1) A full assessment of individual and in-combination effects of drought options and WRMP24 options through the plan level SEA and HRA, ensuring construction impacts have been assessed.
    - Clarify how abstraction from chalk rivers and the salmon metapopulation has been considered in the environmental assessments.

    - Update the HRA with further description of the North Kent Marshes WINEP including detail of contingency/replacement option(s) available if North Kent abstraction licence reductions are needed.
    - Update the HRA and SEA in-combination assessment of the Recycling (KME): Sittingbourne Industrial Water Reuse option to consider the proposed Sittingbourne Growth Scheme.
- (A4.2) Explain why the final plan options have been selected over reasonable alternatives within the post-adoption statement and statement of Environmental Particulars.
    - Update the SEA to clearly justify selected options over feasible alternatives, including consideration of the Best Value Plan, Least Cost Plan, Best Environmental and Social Plan, including how concerns are being addressed around the options particularly around safety of recycled water, high cost and carbon emission.
    - Stage 3 HRA (derogation) and/or present a detailed investigation timetable to provide assurance that all uncertainties can be resolved relating to environmental assessments. This should include key milestones for the delivery of options within the required timeframe.
    - Review the conclusion that a Stage 3 HRA (derogation) is not required at the plan level, in the context of the residual uncertain risks that cannot be excluded for Sittingbourne and supply-side drought options, due before 2035
    - Provide a clear plan level pathway or timetable for resolving these uncertainties to assure that European sites will be protected in the outcome.

Southern Water's WRMP relies heavily on drought permits and orders due to delays in delivering key supply schemes. The effective delivery of supply and demand schemes is critical to Southern Water's ability to meet its statutory obligations. Southern Water will undertake the following specific actions to reduce environmental risks and improve supply resilience:

- (A5.1) Produce a coherent plan level delivery programme with milestones for all options with delivery activity in AMP8, including appropriate environmental assessment activity. These delivery programmes will align with those set out in the latest Delivery Plans, RAPID engagement and large scheme oversight processes.

- (A5.2) Provide valid and transparent reasons for existing, and any further, scheme delays.

Supply scheme delivery.

Southern Water will:

- (A5.3) Provide additional details to address stakeholder concerns raised regarding the health and safety of water recycling, including the HWTWRP

and Sandown schemes. Southern Water will include signposting to additional information in the public domain and the regulatory frameworks in place such as the RAPID gated process or commit to providing further public information where necessary for customers to find out how the company is addressing the concerns being raised.

- (A5.4) Set out how it will ensure the Candover drought option is ready to be operational as soon as possible and produce a formal work programme to deliver this scheme.

Demand delivery.

Southern Water will:

- (A5.5) Publish appropriate leakage and water demand action plans, setting out how enhanced leakage reduction activity is being targeted in Hampshire and Sussex where deficits exist/drought option reliance is greatest. The outcome of this is presented through the annual review.
- (A5.6) Provide further assurance and commit to reporting on work to demonstrate that it is doing all everything it can to reduce demand in Sussex North, including its planned rapid roll-out of smart metering in this water resource zone.
- (A5.7) Provide justification as to why Southern Water has moved away from its Target 100 water efficiency ambition in its WRMP24.

Adaptive planning.

Southern Water will:

- (A5.8) Develop robust adaptive pathways for the short and medium term to manage key programme risks, incorporating the potential outcomes of near-term licence decisions within these pathways. This should include the Hardham Basin Environment Study HRA (including scenarios beyond 2030), Sussex North WFD no deterioration investigations, and potential sustainability reductions associated with the ongoing 2025 Itchen and upcoming 2027 Testwood Time Limited Licence renewals. An assessment of the impact on any additional reliance on drought orders/permits should be included if this is part of an adaptive plan.

- (A5.9) Provide assurance of how any alternative options will be triggered in a timely manner, through an updated monitoring plan of demand and supply delivery, detailing in-year and in-AMP monitoring, setting out clear triggers for short-term decisions and option progression.

- (A5.10) Update sensitivity testing to reflect unavailability of sea tankering and the Candover drought option, additional delays to key schemes based on the latest situation and latest risks associated with the outcomes of licence investigations, including the sustainability of Petworth and West Chiltington. Indicate where these uncertainties have been covered directly through adaptive planning.

Options rejected for Southern Water Services (SWS) fdWRMP24 that should be re-appraised

Option type and stakeholders	**Specific option rejected in fdWRMP24**	**Why SWS reason for exclusion is not considered robust and option could potentially be re-assessed**
Surface water abstraction relocation downstream Raised by EA, 3rd party representations	Surface water (HSE): relocation of Woodmill abstraction	Disagree with screening out of this option based on potential regulatory non-compliance. Reasons for rejection need to be explained more clearly if this option is not to be appraised further. A number of stakeholders have highlighted the need for more information from the company regarding the potential for moving abstraction downstream. It is noted that moving the abstraction will not give a significant DO benefit and would not remove adverse effects or impacts on migratory salmonids.
	Surface water (HSE): Relocation of Source A abstraction to saline limit	As above
Option type: recycling, joint schemes with multi-sectors Raised by EA, NE, Ofwat, 3rd party representations	Supply of non-potable to a large industrial user in HSW (e.g. water re-use) / Recycling (HSW): Test Estuary for supply to large industrial user	Disagree with rejection reason due to commercial risk - abstraction is directly contributing to Habitats Regulations flow failures so cost should not be used as reason for rejection pre-feasibility and a fair appraisal should be undertaken. The company have provided no evidence to demonstrate meaningful engagement around opportunities with the industrial user.

		This is a missed opportunity as this was similarly rejected in the 2023 targeted options appraisal in favour of sea tankering which was then rejected in the fdWRMP24. AR25 indicates only 3 Ml/d annual average exported compared to 10 Ml/d planned. Provision of alternative supply may be possible with Southern Water remaining a supplier of last resort as a contingency for example.
Option type: recycling Raised by EA, 3rd party representations (suggestion of recycled water currently wasted at the Otterbourne and Testwood Water Treatment Works used to replenish rivers)	Recycling of final effluent from Test Estuary WTW	Further clarification is required on what site/location this is, if the option involves a water treatment works or water supply works and what effluent there is to recycle.
Option type: Desalination Raised by EA, 3rd party representations	Desalination (IOW): Sandown	Disagree with reason for rejection pre-feasibility as appears to have been a mutually exclusive choice between either recycling or desalination option at Sandown. A fair appraisal should be undertaken of both options, with lead time estimates refined and assessment of the potential benefit to reduce the supply of water via the cross-Solent main to the IOW. Selecting both would create more headroom on the IOW to mitigate risk of scheme delays. Additional benefit could be gained through constructing a bidirectional link main to allow SWS to transfer water back from IOW to the mainland if needed to reduce reliance on DOs (as below).
Raised by EA, Ofwat	Offshore and emergency	fdWRMP24 does not record sufficient details in the reasons for rejection to determine whether there might be

	desalination options	ship/platform-based/temporary desalination options that could be implemented in the early to mid-2030s, to reduce reliance on DP/DOs.
Option type: Network/Transfer Raised by EA, NE, 3rd party representations	Bidirectional Link from IOW	Disagree with reason for rejection. Regulators did not agree to the Options Appraisal criteria set by SWS leading to a missed opportunity in prematurely screening out options that could not be delivered by 2030. There was no improvement to the medium-term contingency plan, despite SWS indicating that the SRO would not be in place until 2034/35. Option would enable headroom on the IOW to be transferred back to the mainland if needed to reduce reliance on DOs. Could be appraised alongside desalination (IOW): Sandown as above.
Raised by EA, 3rd party representations	West Sussex network upgrades	Disagree with reason for rejection and deferring this for reconsideration in WRMP29. Regulators did not agree on screening out options that could not be delivered by 2030 as above.
Option type: bulk imports Raised by EA, NE, 3rd party representations	Bulk import via sea tanker from different location than Norway	Reasons for rejection are insufficient to justify why this has not been assessed further in WRMP24 and is proposed to be deferred to WRMP29. The EA acknowledges the infeasibility of sea tankering from Norway based on the current understanding of invasive species risks, however sources from within the British Isles without the same risk have not been adequately considered.
Raised by EA	Bulk import (HSW): Mendip quarry to River Test WSW	Disagree with reason given for rejection on the basis of timescales. This resource may be allocated to the West Water Resources Regional group due to existing water resource

		pressure/deficit. However, the company should still explore if this is the case or this option should be appraised further.
Option type: process loss recovery Raised by EA	Itchen surface water process loss recovery	The company has not addressed why the issues with the current treatment processes on site could not be resolved within the timelines for the resilience options. As stated above, lead times extending into the 2030s or beyond is not a valid reason alone to reject options at the pre-feasibility stage.
	Test surface water WSW process loss recovery	The company has not addressed why the issues with the current treatment processes on site could not be resolved within the timelines for the resilience options. As stated above, lead times extending into the 2030s or beyond is not a valid reason alone to reject options at the pre-feasibility stage.
Option type: storage Raised by EA. 3rd party representations also suggested capturing more winter rain to use in dry summers, and building multiple smaller reservoirs closer to demand area.	Storage (HSE): Convert and extend Test Lake / Test surface water– Little Lake / Test surface water lakes	The company needs to further explain the Test Lakes options currently rejected, including the differences between the options. For the Test surface water– Little Lake / Test surface water lakes options, the EA does not agree with the reason for rejection being that the options will not provide a deployable output benefit. See Section 8.2 of the Water Resources Planning Guidelines. The reason for rejection of the option Convert and extend Test Lake needs to be sufficiently explained.
Option type: groundwater, water treatment works capacity Raised by EA, and 3rd party representations	Newport IOW	Requirement for pump tests and environmental surveys is not a sufficient justification for rejection. Company should carry these out now, to further understand feasibility of the option.

suggested similar options for additional GW sources and recharging GW with rainfall		As above, this option has the potential to create more headroom on the IOW to mitigate risk of scheme delays. Additional benefit could be gained through constructing a bidirectional link main to allow SWS to transfer water back from IOW to the mainland if needed to reduce reliance on DOs (as above).
Raised by EA for specific option, 3rd parties in general regarding potential for increasing capacity of treatment works	Sompting WSW	Requires further explanation and clarification on whether the capacity of the nitrate plant can be increased, to increase resilience and level of service in Sussex.

[1] Through the PR24 process, Southern Water received an allowance of £27.805m specifically against its proposed sea tankering scheme (referred to as 'Extreme Drought Resilience'). Given uncertainty around the scheme, the final determination stated specifically that the allowance should be used to develop options that offset as much of drought option use as possible, and at least the 7Ml/d deficit reported in the HSW WRZ. We expect this funding to be used, as set out in theme 2.


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