



## Moreton in Marsh Flood Forum Report

### Operations – Flooding and Waste Water

Thames are continuing regular reactive service which has been the case since the winter of 2023. The winter of 2023/24 was tough on not only our network but our staff who maintain it. Winter 23/24 was among the wettest on record. Groundwater levels are already very high. The Environment Agency data showed that groundwater levels in the area were similar or above those seen in 2014, which was the wettest winter on record at that point.

“Last winter was particularly bad due to the early rise in ground water levels and then the extended period of high ground water levels, this meant some longer periods of tankering than previous winters...” - Field Operations Specialist Oxfordshire.

“[In the] Autumn & winter period our daily routine enhances with infiltration across our network, ...the ground water table rose early last year and along with the named storms we experienced, and our workload trebled” - Field Operations Specialist Cotswolds.

We continue to liaise with other Risk Management Authorities, such as Lead Local Flood Authorities, The Environment Agency and Highways during this period. We continue to work with them to mitigate the impact from all types of flooding.

A deluge of rainfall in late September 19-23<sup>rd</sup> fell across the county and contributed to the flooding of many places across the Cotswolds. Community leaders across the catchment had not reached out to our FOS to report mass sewer flooding in the usual hotspots in Bourton, Bledington or Moreton. We responded to individual case concerns in the catchment, but we were not made aware of large scale sewage flooding issues in this period. This is where our assets will have reacted to rainfall.

In this period call outs also came from sewer flooding, as we also experience blockages in our network.

Our stats for the Cotswolds are;

2022 - 548 blockages in the foul sewer

2023 - 554 blockages in the foul sewer

2024, up until 30 May, 230 blockages in the foul sewer.

We also have blockages in the sewage pumping station pumps and at the inlet works on the STW, which we do not have data as we treat it as an everyday activity.

We hope that our 'bin it don't' blockage is getting out there and we continue to see a reduction in blockage numbers.

Unfortunately, due to the wet weather we have not been able to complete any new lining work in Moreton, Bourton, Northleach, Stow or larger population centres.

There are no immediate plans in the near future to undertake a lining programme of works from an Asset Planning perspective, however, with the Draft Determination on the horizon programmes may be green lit from mid-2025 onwards.

### Clean Water

Following our private residents meeting those who were served restriction of use notices will now be under advice from either Thames Water or Bromford Housing of a programme to replace their communication pipes.

An update was issued to the representatives of the private owners' group who were liaising with our customer rep teams post the community event.

Submitted Questions to be responded to in meeting.

### River Health

### Asset Investment

## Investment Overview

STWs	Scheme	Est completion
Ampney St Peter	An upgrade is being planned for Ampney St Peter. It will include a substantial increase in treatment capacity, though the design hasn't been finalised.	2027
Broadwell	An upgrade is planned. This will improve its ability to treat the volumes of incoming sewage, reducing the need for untreated discharges in wet weather.	2026
Bourton on the Water	An upgrade is planned. This work will provide a major increase in treatment capacity, from 47 to 143 litres per second. This will reduce the need for untreated discharges in wet weather.	2025
Cirencester	Being upgraded at a cost of more than £22 million. This project will provide a major increase in treatment capacity, from 269 to 484 litres per second. It will also include an increase in storm water volume and treatment capacity via land treatment. This will reduce the need for untreated discharges in wet weather.	2024
Fairford	An upgrade is planned. This project will provide a major increase in treatment capacity, from 37.8 to 56.8 litres per second, reducing the need for untreated discharges in wet weather.	2025 - 2030
Moreton in Marsh	Moreton in Marsh STW is being upgraded to increase the capacity of the storm tanks. This will reduce the need for untreated sewage discharges during storm conditions.	2025 - 2030
Northleach	An upgrade is planned. This will improve its ability to treat the volumes of incoming sewage, reducing the need for untreated discharges in wet weather.	2026

This is a high level overview of the planned investment in the Cotswolds as a whole, if you would like to know more about a site and we have the programme of works please ask in the meeting.

Our recent plans to extend the company's liquidity runway from December 2024 to September 2025. This could then be extended further to March 2026 if we decide to appeal to the Competition

and Markets Authority over Ofwat's final decision on what we are required to deliver and price limits for the period 2025-30. The plans include up to £3 billion of new money in addition to debt extensions and access to cash reserves.

This is good news for the company and is the best option available as it will provide further stability and improve our liquidity, enabling us to continue with our planned investment and maintenance of our infrastructure so we can continue to meet our customers' needs and our environmental responsibilities.

This means we are investing at the same rate going into the end of AMP 7 ready to pick up schemes in AMP 8 which had slipped from the programme.

### Thames Water AMP 8 Financing

We submitted an ambitious business plan based on customer feedback. Customers asked us to focus on delivering safe and resilient water supplies and address concerns over our overall performance including customer service and dealing with wastewater.

We are planning to deliver a considerable increase in investment in our infrastructure, with total expenditure of £20.7bn in our core plan plus £3bn through deliverability mechanisms. Our plan in response to the draft determination contains more than ever before and increases the £18.7bn we asked for in October 23.

Having considered the draft determination (DD) that Ofwat set out in response to our plan, both our own and independent analysis shows the DD makes our plan neither financeable or investible and therefore, not deliverable.

In responding to the DD we have considered Ofwat's feedback carefully and responded with constructive proposals to address the issues raised, updating our plan to reflect ambitious goals, while offering changes that would give us the opportunity to secure the necessary investment so that our ambitious plan can be delivered for our customers.

These would see increased totex funding and changes to achieve a fairer balance of risk and return which would unlock our ability attract investment needed to deliver our plan and improve financial resilience. **Our plans will result in an increase in customer bills. By 2030 customers will be paying an extra £18.99 per month.**

**This does not mean customers are being asked to pay twice, but to make up for years of focusing on keeping bills low.**

In parallel we are increasing our support to those customers struggling to pay, increasing nearly 70% the number of customers who benefit from this support to 647,000 (receiving an average discount of more than half their bill). This represents 1 in 10 households.

Across the past three regulatory periods we will have spent over £2.7bn more than our allowances. We will continue to work constructively with Ofwat as we work towards securing a final determination that is investable, financeable, and deliverable.

## AMP 8 Aims

Our plan will deliver a **reliable, secure and affordable service** for customers by:

- Preserving a reliable supply of water, with minimal disruption
- Replacing over 570km of water mains
- Maintaining safe, high-quality drinking water by replacing 54,000 lead pipes
- Upgrading 150km of sewers to lower the risk of sewer collapses
- Reducing the number of times sewage floods into properties by 16% as well as all other external sewer floods by 14%
- Providing over 647,000 households with meaningful support with their water bills
- Resolving more billing and operational issues within 24 hours by improving digital infrastructure, allowing customers to resolve more issues online

Our plan will further materially **improve Thames Water's environmental footprint** by:

- Reducing storm overflows by 34%
- Reducing the total number of pollution incidents by 30%
- Opening the Thames Tideway Tunnel, London's "super sewer", the third phase of improvements that will increase the health of the river by reducing combined sewer overflows by c.95%
- Investing to improve the bathing water quality at Wolvercote Mill Stream
- Spending over £2.5bn to deliver a 21% reduction in leakage (based on a 2020 baseline)
- Reducing water use per person by 4%
- Continuing our industry leading roll out of 1 million smart meters to make it easier for customers to save money and find leaks
- Ensuring water security for this and future generations, including consulting and planning for a reservoir near Abingdon

The proposals in our response to Ofwat would support the **financeability and investibility** of our plan by:

- Delivering c.30% real RCV growth over AMP8
- Embedding the turnaround in operational performance required to ensure median performance by end of AMP8
- Targeting robust investment grade credit ratios
- Proposing an industry weighted average cost of capital of 4.6% (real)
- Reducing average gearing below 75%
- Attracting the necessary equity to deliver our plan