

# Anglian Commentary on the Blind Year Reconciliation Adjustment 2024/2025

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Anglian Water

15 July 2025

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## I. Overview of Submission & Introductory Statements

This document constitutes the **Anglian Commentary on the Blind Year Reconciliation Adjustment (“BYA”) of 2024/25 and forms part of Anglian’s BYA Submission (“Submission”)** which consists of the following assured documents:

- 1) The present Commentary document including the BYA Summary Table.
- 2) Our populated PR19 reconciliation true up models updated for BYA<sup>1</sup>:
  - a. Land Sales
  - b. Cost of New Debt and the updated iBoxx document from Ofwat’s Response to our Query OFW-FD-ANH-005
  - c. Developer Services (DSRA)
  - d. Strategic SRO
  - e. Accelerated/Transition programme expenditure
  - f. Cost Reconciliation
  - g. RPI-CPIH Wedge
  - h. Bioresources
  - i. Res Retail
  - j. RFI
- 3) Our populated feeder models as updated for BYA ie:
  - a. RCV Adjustments feeder model
  - b. Allowed Revenue Adjustments feeder model
- 4) Our populated ODI, In-period Adjustments and C-Mex/D-Mex models as updated for BYA ie:
  - a. ODI performance model for 2024-25 (including PCs)
  - b. ODI differences model
  - c. In-period Adjustments model
  - d. C-Mex
  - e. D-Mex
- 5) Our BYA Data Tables as per Ofwat’s updated Data Table Template published on 29/05/2025 following our Query on the Accelerated/Transition Expenditure true up model and BYA data table CW12 (dated 27/05/2025)
- 6) Our BYA SRO Data Tables
- 7) The External Assurance Report of the Submission by Jacobs, which complements our Internal Assurance Policy and APR 2024/25 Assurance

**We hereby confirm that our BYA submission has been prepared in line with:**

- i. Ofwat’s Information Notice: IN 25/01 Expectations for the PR19 blind year reconciliation (March 2025),
- ii. Ofwat’s Information Notice: IN 25/02 Expectations for monopoly company annual performance reporting 2024-25 (March 2025),
- iii. Ofwat’s PR19 Reconciliation Rulebook: Guidance Document,
- iv. Ofwat’s PR24 Final Methodology submission table guidance v5,
- v. Ofwat’s Final Determination (FD) and post-FD versions of the PR19 Reconciliation true up models as shared by Ofwat,
- vi. Our Post-FD Request for Comments on PR19 and PR24 Legacy Reconciliation true up models Anglian Water Comments & Considerations (dated 31/01/2025),

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<sup>1</sup> It is herein noted that the BYA Tax, Green recovery cost adjustment, Green recovery time values of money and Water trading reconciliation models as well as BYA data tables SUP4,5,10, PD2-3 & PD6-7-7a are not applicable for Anglian.

- vii. Our Annual Performance Report (APR) 2024/25 Submission and Assurance,
- viii. The latest Macroeconomic and Financial developments corresponding to the financial year 2024/25 ie updates from ONS regarding Inflation and the ASHE Index as well as the real-time movements of the iBoxx Indices as provided by S&P,
- ix. The FD WINEP true up model and the Anglian Follow-up Response to Query OFW-FD-ANH-025 on AMP7 WINEP Carry Over Schemes and their PCD Penalties (dated 08/04/2025),
- x. Our Query OFW-IBQ-ANH-041 on the new Accelerated/Transition Expenditure true up model and Ofwat's Response,
- xi. Ofwat's Query OFW-REP-ANH-096 on A2AT outturn spend and our Response,
- xii. Our Query OFW-FD-ANH-005 on the Cost of New Debt true up model and Ofwat's Response,
- xiii. Our Query OFW-FD-ANH-031 on Ofwat's BYA Information Notice and Ofwat's Response,
- xiv. Our Query OFW-FD-ANH-032 on the SRO true up model and Ofwat's Response,
- xv. Our BYA Query on the PD1 data table (dated 03/04/2025) and Ofwat's Response,
- xvi. Our BYA Query on the PD10 data table (dated 24/04/2025) and Ofwat's Response,
- xvii. Our BYA Queries on the Accelerated/Transition Expenditure true up model and BYA data table CW12 (dated 27/05/2025, 02/06/2025, 02/07/2025), Ofwat's Responses and Anglian's follow-up Responses,
- xxiii. Our BYA Queries on the APR 4L.35-37 Lines and BYA SRO data tables (dated 30/04/2025, 22/05/2025, 28/05/2025) as well as Ofwat's and Anglian's follow-up Responses,
- xix. Our BYA Query on CW(W)12,17 dated 02/07/2025 and Ofwat's Response,
- xx. Our Leakage Query regarding the In-period Adjustments model (dated 11/06/2025)
- xxi. Our BYA Query on the Retail Revenue Correction model (dated 06/06/2025) and Ofwat's Response,
- xxii. Our Query on the PR19 Reconciliation Rulebook's DSRA correction (dated 18/08/2021) and Ofwat's Response,
- xxiii. Our Query on PR24 Data Table guidance and AMP7 APR RAG inconsistencies (dated 12/03/2025) and Ofwat's Response, and
- xxiv. Our Internal Assurance Policy documents ie [Our Assurance Framework](#) and [ANH47-Assurance-Strategy.pdf](#) which encompass our Submission in combination with the External Assurance.

Also, in line with Ofwat's guidance, it is confirmed herein that:

- The updated inputs across the BYA true up models and data tables have been highlighted with red colour.
- Only AMP7 Year 5 (24/25) values/inputs have been updated across our BYA Submission while values for previous years are unchanged from Ofwat's FD.
- No changes were made to the historic 2020-24 performance data in the models or to the main calculation and outputs sheets of the model.

## II. Proposed Blind-Year-Adjustment 2024/25 Summary Table

Our proposed Blind-Year-Adjustment per price control have been highlighted with red colour as per Ofwat's Guidance and are summarised in the BYA Past Delivery Data Table 12 (PD12) of our BYA Submission in PR24 Base Prices (2022-23 CPIH FYA price base) as follows:

**Table 1(a): AMP7 end-of period RCV adjustments:**

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control 1	Additional Control 2	Residential retail	Business retail	Total	PR24 BP reference	
			2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25		
PR19 reconciliation end-of-period RCV midnight adjustments as at 31 March 2025 in PR24 base year prices													
PR19 ODI RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000	0.000	0.000			0.000	PD12.36	
PR19 WINEP / NEP RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	-0.129	0.000	-10.080	0.000					-10.209	PD12.37	
PR19 Costs reconciliation RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	-1.227	89.839	-34.589	-0.265	0.000	0.000			53.759	PD12.38	
PR19 Land sales RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	-0.738	-2.300	-3.334		0.000	0.000			-6.372	PD12.39	
PR19 RPI-CPIH wedge RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	2.917	43.485	65.511	4.587	0.000	0.000			116.500	PD12.40	
PR19 Strategic regional water resources RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	6.387	5.684							12.072	PD12.41	
PR19 Green recovery RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000					0.000	PD12.42	
PR19 Havant Thicket activities RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3					0.000				0.000	PD12.43	
Other RCV adjustments in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000	0.000	0.000			0.000	PD12.44	

**Table 1(a): AMP7 end-of period RCV adjustments (Defra/Transition Exp. RCV adjustments)**

PR24 end-of-period RCV midnight adjustments as at 31 March 2025	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control 1	Additional Control 2	Total
			2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25
PR24 Transitional expenditure programme RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	4.410	9.686	24.513	0.000	0.000	0.000	38.609
PR24 Defra accelerated programme RCV adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	5.661	7.029	16.734	0.000	0.000	0.000	29.425

**Table 2(a): AMP7 end-of period Allowed Revenue adjustments:**

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control 1	Additional Control 2	Residential retail	Business retail	Total	PR24 BP reference	
			2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25		
PR19 reconciliation revenue adjustments in PR24 base year prices													
PR19 ODI revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	-0.574	-1.327	0.000	0.000	0.000	0.000	0.000	-1.901	PD12.50	
PR19 RFI revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	2.210	24.748	23.788		0.000	0.000	0.000	0.000	50.746	PD12.51	
PR19 C-MeX revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3							0.000		0.000	PD12.52	
PR19 D-MeX revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3		0.000	0.000						0.000	PD12.53	
PR19 Bilateral entry (BEA) revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000								0.000	PD12.54	
PR19 Bioresources revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3				-3.121					-3.121	PD12.55	
PR19 Bioresources forecasting accuracy incentive penalty in 2022-23 FYA (CPIH deflated) prices	£m	3				3.863					3.863	PD12.56	
PR19 Residential retail revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3							9.313		9.313	PD12.57	
PR19 Business retail revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3								0.000	0.000	PD12.58	
PR19 Water trading revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000							0.000	PD12.59	
PR19 Developer services revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3		32.910	28.524						61.434	PD12.60	
PR19 Cost of new debt revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	1.432	21.445	32.615	2.278	0.000	0.000			57.770	PD12.61	
PR19 Gearing outperformance revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3		0.000	0.000						0.000	PD12.62	
PR19 Totex costs revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	-4.780	97.073	-24.904	-1.276	0.000	0.000			66.113	PD12.63	
PR19 Tax revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000	0.000	0.000			0.000	PD12.64	

**Table 2(b): AMP7 end-of period Allowed Revenue adjustments (cont'd):**

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control 1	Additional Control 2	Residential retail	Business retail	Total	PR24 BP reference
			2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	
PR19 RPI-CPIH wedge revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.868	10.864	19.773	1.588	0.000	0.000			33.093	PD12.65
PR19 Strategic regional water resources revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	25.383	6.304							31.687	PD12.66
PR19 Havant Thicket activities revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3					0.000				0.000	PD12.67
PR19 Green recovery costs revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000					0.000	PD12.68
PR19 Green recovery (TVM) revenue adjustment in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000					0.000	PD12.69
Other revenue adjustments in 2022-23 FYA (CPIH deflated) prices	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	PD12.70

### III. Land Sales true up model and PD4 Data Table

The Land Sales true up model has been updated for BYA using the FD model version and the APR outturns from the APR Line 2L.1 for 2024/25 which, along with the Submission's updated PD1 Data Table, also feeds the updated PD4 Data Table using price base change to PR24 price base (22/23 CPIH FYA) on the basis of outturn 24/25 CPIH Inflation figures sourced by ONS.

Land Sales outturns used reflect the latest market developments as well as the re-organisation of Anglian's land sales strategy in order to avoid clashing with the investment needs of AMP8.

## **IV. Cost of New Debt true up model**

The Cost of New Debt true up model has been updated for BYA using the FD model version and the iBoxx outturn file included with Ofwat's Response to our Query OFW-FD-ANH-005. We have used actual iBoxx indices to 31 March 2025 using the IHS Price Viewer (New Cross Reference Lookup Tool) by S&P.

## **V. Developer Services (DSRA) true up model and DS4 Data Table**

The Developer services true up model has been updated for BYA using the FD model version and the APR outturns from the APR Line 4Q.11 for 2024/25 which also feeds the updated DS4 Data Table. Actual new properties include properties connected by Self-lay Providers and connections by New Appointment and Variation companies (NAVs). This is in line with Ofwat's Response to Anglian's Query (dated 18/08/2021) agreeing with the amendment/correction of the PR19 Reconciliation Rulebook requirement from APR table 4Q.3 to 4Q.11.

Developer Services outturns reflect the latest DSRA market developments and the adjustment for 236 overstated Water Recycling connections in Year 4 as stated in the APR Comments for Table 4Q.

## **VI. Strategic SRO true up model and SRO Data Tables**

In line with:

- Our Post-FD Request for Comments on PR19 and PR24 Legacy Reconciliation true up models Anglian Water Comments & Considerations (dated 31/01/2025),
- Our BYA Query OFW-FD-ANH-032 on the SRO true up model and Ofwat's Response, and
- Our BYA Query on the SRO data tables (dated 30/04/2025) and Ofwat's Response,

we believe that the BYA SRO true up model's version represents an improvement from the FD version. In our BYA version of the model and the SRO data tables, we present our best possible estimates of the end-of-period true up values on the basis of the BYA version of the model and the use of actuals for the full five-year period of AMP7 for Gates 1, 2 and 3 of the Fens & Lincs reservoirs as well as Gates 1 and 2 of A2AT (P2G).

With regards to the Totex outturn figures feeding the BYA SRO true up model, we note that, in addition to Anglian's Internal Assurance process and the BYA third-party assurance process (detailed in Section XX.), these have been subject to separate third-party cost assurance reports (of separate processes from BYA) as part of the Gated process for each SRO project. Also, as per Ofwat's BYA guidance, the BYA SRO data tables have been populated on the basis of the FD and BYA SRO true up model versions for comparison with detailed notes therein on a per line basis.

We hereby confirm that APR Lines 4L.35-37 of our APR 2024/25 submission reconcile with BYA SRO data tables as per Ofwat's guidance. In addition, we hereby confirm that our BYA 24/25 SRO true up model and data tables have been prepared in line with Ofwat's and RAPID's guidance. With reference to Ofwat's additional guideline in the 'Guidance' tab of the BYA SRO data tables' template ie *'We do not expect companies to populate the relevant line in the Annual Performance Review Table 4L. If companies wish to do so, we expect*

*the information included to be consistent with this template.* we note that, while both our BYA and APR Submissions are consistent with Ofwat's guidance, the APR's submission's cumulative spend included in lines 4L.35-37 (which correspond to SRO Totex spend) are not the only ones with SRO spend elements.

In the absence of further guidance/clarification by Ofwat regarding which 4L lines are referred to in the above extract, we also note that in earlier years of AMP7, cost elements of other lines (as are 4L.32/4L.20) had included spend related to the early option development work for future projects that might or might not turn out to be SRO projects (e.g. Fens) which contribute to cumulative spend reported in lines other than 4L.35-37. Therefore, we believe that the BYA SRO true up model and BYA SRO data tables that also reflects the Query OFW-REP-ANH-096's Response on A2AT outturn spend should be the main reference of Ofwat for SRO-related cost elements.

In line with Ofwat's Response to Anglian's SRO Land Spend Query (dated 28/05/2025) and Ofwat's Response (dated 20/06/2025), the SRO Land Spend costs which are only applicable for the Lincs Reservoir have been included to 24/25 Transition costs in Anglian's APR 24/25 Submission and have been taken into account for in Anglian's BYA Submission through the BYA Accelerated/Transition Exp. true up model.

## **VII. Accelerated/Transition expenditure true up model**

The Accelerated/Transition expenditure true up model has been updated for BYA in line with the respective Accelerated/Transition columns of our APR 24/25 tables 4L-4M & lines 4X.18 and 4Y.18 as well as Ofwat's and Anglian's follow-up Responses to Anglian's corresponding BYA Queries (dated 27/05/2025, 02/06/2025, 02/07/2025).

As flagged within our 'Post-FD Request for Comments on PR19 and PR24 Legacy Reconciliation true up models Anglian Water Comments & Considerations' submission to Ofwat (dated 31/01/2025), the Financing cost index (Row 569, 'InpS' tab) has been included as zero for 23/24 and 1.5 for 24/25 whereas it should be 1 for 23/24 (for 1-year adjustment of time value of money for reconciliation in 2024/25) and 0 in the final year which coincides with the calculation year of the end-of period reconciliation. In line with BYA guidance to use the FD model version for this true up as is, we have not proceeded to amend the calculations in order to correct the above issue. However, we note that the above formula issue should be corrected so that the corresponding RCV adjustment is calculated as it should.

With regards to the BYA CW(W)12, 17 data tables, the respective comments are included in Section XVI.

## **VIII. Cost Reconciliation true up model**

The Cost Reconciliation-Cost Sharing true up model has been updated for BYA using APR 24/25 outturn figures (Net totex, Business Rates, Abstraction Charges), Ofwat's latest version of the Financial Flows Data Source file for 2024/25 (v2) as well as CPIH outturn 24/25 Inflation sourced by ONS.

It is noted herein that the BYA Cost Reconciliation-Cost Sharing true up model uses 2024 provisional and 2025 FD-estimated ASHE Gross Hourly Wage All - Nominal Index and will need to be further updated as soon as ONS has published its final and provisional ASHE Index for 2024 and 2025 respectively.



## IX. RPI-CPIH Wedge true up model

The latest version of the RPI-CPIH true up model has been updated for BYA using outturn 2024/25 RPI and CPIH Inflation sourced from ONS.

## X. Revenue Correction models (Bioresources, Res Retail, RFI)

We confirm that we have updated the Revenue Correction models (Bioresources, Res Retail, RFI) for BYA as per our APR 24/25 Submission. Below we outline the changes in detail (cell references in [.]):

### RFI

- Inputs tab:
  - Actual CPIH [T35] 2024/25
  - Actual Revenue (WR [T86], WN+ [T104],WWN+ [T122] 2024/25

### Bioresources

- InputsR tab:
  - Actual sludge volume [R11] 2024/25
  - Actual revenue [R17] 2024/25
  - Actual CPIH [R33] 2024/25

### Retail

- Inputs1 tab:
  - Customer reforecast [P11] 2024/25
  - Customer actual [Q11] 2024/25
  - Retail revenue [S11] 2024/25
  - Modification Factor [AG9 to AG11] 2022/23 to 2024/25

The ‘Allowance per measured water customer’ (Modification Factor) detailed in the Inputs1 tab of the Retail model was based on table 6 of the Notification of the PR19 final determination of Price Controls for Anglian Water.

However this was revised by the CMA, with the new Allowed Total Revenue confirmed by Ofwat in table 3.5 of the Final determination of Anglian Water’s in-period outcome delivery incentives for 2020-21 report, and subsequently revised by further ODI reports. These revisions are summarised below:

	FC	TR	ODI	TR revised	M
2020-21	2917.275k	£103.247m		£103.247m	£35.39
2021-22	2961.945k	£89.437m		£89.437m	£30.20
2022-23	3002.662k	£91.404m	£3.407m	£94.811m	£30.44
2023-24	3041.485k	£93.421m	£2.034m	£95.455m	£30.72
2024-25	3078.306k	£95.257m	-£0.174m	£95.083m	£30.94

To ensure the correct allowed revenue is calculated we believe the ‘Allowance per measured water customer’ (Modification Factor) for 2022/23 to 2024/25 needs to reflect the changes noted in the above table.

We note that Ofwat has agreed with the above in their Response to our Query on the Retail model dated 06/06/2025.

With regards to the BYA RFI model's derived uplift in Allowed Revenues when compared with the FD, we note that this is due to the reasons as set out in the APR 2M table's Commentary.

## **XI. PCs, ODI, In-period Adjustments and C-Mex/D-Mex models**

ODI RCV and Allowed Revenue Adjustments were sourced from the completed 2024/25 ODI model as updated for BYA.

With regards to the In-period Adjustments model, we received a response from Ofwat to our leakage query (dated 11/06/2025) confirming an error in the application of the Tier ODI penalty rate relating to leakage. As a result of this confirmation, we have been instructed to override the penalty, which had been automatically generated based on the incorrect rate. The necessary adjustments have been made to ensure the penalty reflects the correct calculation.

We have also provided the latest versions of the C-Mex and D-Mex models for BYA. From these, it derives that the Other in-period Performance Payments rewards for C-MeX and D-MeX are projected as £2.2mn. and £0.043mn. respectively (2017/18 CPIH FYA price base). Since Ofwat has suggested using the FD version of these models for BYA, these rewards are applicable for the Blind Year (2024/25) despite the fact that they are flagged within the model as belonging to 2023/24 in the 'F\_Outputs' tabs of both models.

Performance for water supply interruptions has improved significantly, with an average duration of 00:06:51, outperforming the forecasted 00:09:05. The original forecast was based on the prior year's performance.

This measure is inherently volatile and can be heavily influenced by isolated incidents, making accurate forecasting challenging. Despite this, we have delivered strong performance in the final year of the AMP, reflecting effective operational management.

Further detail and supporting commentary are provided in the APR.

### **Comments on Flooding:**

Performance in AMP7 Year 5 exceeded expectations across both external and internal sewer flooding metrics. We had forecasted 6,564 external flooding incidents and an internal flooding rate of 2.27 per 10,000 connections. However, actual performance was significantly better, with 5,232 external incidents and an internal rate of 1.41.

This improvement reflects the impact of targeted interventions following detailed root cause analysis. Over the final three years of AMP7, we invested in blockage removal strategies to reduce external flooding risk. These efforts led to a sustained reduction in total annual blockages, falling from 40,325 in 2022/23 to 35,252 in 2024/25.

In parallel, we delivered 200 Flood Mitigation projects addressing hydraulic overload across the region. In Year 5, we enhanced this programme with an additional £17.1 million investment in sewer investigations and cleaning. As a result, hydraulic overload cases identified between 1 April and 15 July fell from 216 in 2024/25 to 88 in 2025/26.

Our strengthened approach to data collation and root cause identification has enabled more timely and effective interventions. This has driven a 9% reduction in reactive blockages over the past 12 months and

significant improvements in ODI flooding performance—56% for internal and 39% for external—compared to 2023/24. These outcomes were achieved despite rainfall and groundwater levels being 200% above the 1991–2024 long-term average during the reporting period.

## **XII. RCV and Allowed Revenue Adjustment feeder models**

Our BYA RCV and Allowed Revenue Adjustment feeder models have been fed from our Regulatory Finance Data Tables PD11 and PD12 as well as our ODI Performance model for 2024-25 that have been updated for BYA.

Also, it is noted herein that the PR19 C-Mex/D-Mex revenue adjustments in 2017-18 FYA (CPIH deflated) prices in the Revenue feeder model ('InpS' tab) that would be fed from PD12.17-18 lines are flagged as 'n/a' in the 'InpS' tab (Rows 112-119 and Rows 121-128) of the Allowed Revenue Adjustments feeder model. In view of the above, the C-Mex/D-Mex values in PD12.17-18 have been set to zero and the Other in-period Performance Payments rewards as derived from the C-Mex/D-Mex models only feed the 2024-25 in-period ODI payments to be applied in 2026-27 allowed revenue in the same tab of the feeder model (Rows 339-341).

## **XIII. Phasing Considerations**

We welcome Ofwat's approach providing flexibility on phasing BYA adjustments however we will not opt for any phasing in our BYA adjustments.

## **XIV. Past Delivery Data Tables PD11-PD12**

Our Regulatory Finance Data Tables PD11 and PD12 have been updated for BYA on the basis of the BYA Reconciliation true up models and the BYA PD1 Inflation table. They represent Anglian's view of the BYA RCV and Allowed Revenue adjustments per true up and per price control.

## **XV. Risk-Return Data Table RR27-Retail Data Table RET2-Past Delivery Data Table PD5**

We confirm that we have updated the data tables RR27, RET2 and PD5 for BYA as per our APR 24/25 Submission using price base change to PR24 price base (22/23 CPIH FYA) on the basis of outturn 24/25 CPIH Inflation figures sourced by ONS.

## **XVI. Cost Data Tables CW(W)12-CW(W)17 and Past Delivery Data Tables PD8-PD9**

The BYA data tables CW(W)12 and CW(W)17 have been updated for BYA in line with the respective Accelerated/Transition columns of our APR 24/25 tables 4L-4M, our APR 24/25 tables 4X-4Y as well as Ofwat's and Anglian's follow-up Responses to Anglian's corresponding BYA Queries (dated 27/05/2025, 02/06/2025, 02/07/2025). Also, we have used price base change to PR24 price base (22/23 CPIH FYA) on the basis of outturn 24/25 CPIH Inflation figures sourced by ONS.

In view of the above and in view of considerations flagged with Ofwat with our Query dated on 12/03/2025 on PR24 Data Table guidance and APR RAG inconsistencies, we proceeded to populate the CW(W)12, 17 on the basis of our combined assessment of both Ofwat's guidance and the full mapping of AMP7/AMP8 lines we conducted internally. As a result we have provided to Ofwat the populated 'RAG 4 reference' columns for all four tables (CW(W)12, 17) in view of these columns' absence from Ofwat's data table template. These columns reflect Ofwat's guidance where this was available, our full mapping assessment on how the AMP7 APR lines for the Blind Year 2024/25 have been 'translated' into the PR24 BYA format while taking into account and correcting any APR RAG inconsistencies as flagged with our aforementioned Query. Where 'N/A' has been added to these columns, then these are completely new lines for AMP8 RAG Reporting that are absent from AMP7 RAG Reporting. We understand that Ofwat is currently developing its APR proposals for 2025-26 along those lines and we hope that our said assessment on the full mapping of lines is useful going forward.

Also, we would like to note that:

- Transition/Accelerated Lines for Strategic Regional Resources (APR 4L.35) and Improvements to River Flows (APR 4L.76) have been reported in our APR 2024/25 Submission and flow through our BYA Accelerated/Transition Exp. true up model but have not been included in the BYA CW12,17 data tables in view of no lines therein matching these categories. We would like to request from Ofwat their views on where the said lines would be accounted for in the AMP8 RAG format assuming that they would not be included in Additional lines in view of their importance.

BYA data tables PD8 and PD9 have been updated using APR data tables 2B and 4C respectively using price base change to PR24 price base (22/23 CPIH FYA) on the basis of outturn 24/25 CPIH Inflation figures sourced by ONS.

## **XVII. Inflation Data Table (PD1)**

In line with our BYA Query on the PD1 data table (dated 03/04/2025) and Ofwat's Response, the BYA update of our PD1 data table consists of the replacement of our Inflation forecasts with the corresponding actuals for 2024/25 as per the below:

- PD1.1-13 (RPI): Actual historic RPI is as per the Office for National Statistics (ONS) published inflation.
- PD1.14-26 (CPIH): Actual historic CPIH is as per the Office for National Statistics (ONS) published inflation.
- PD1.27 (Indexation Rate for RPI index linked debt): This line reflects RPI index linked debt. The indexation rate for historic periods (2024/25 included) is the actual in-year accretion divided by the average index linked debt as obtained from financial statements and underlying year end reporting.

- PD1.28 (Indexation Rate for CPIH index linked debt): This line reflects CPI index linked debt and CPIH index linked debt. The indexation rate for historic periods is the actual in-year accretion divided by the average index linked debt as obtained from financial statements and underlying year end reporting.
- PD1.29-30 (Financial year average indices): Commentary for these calculated cells is set out in the other sections above relating to the data input cells.
- PD1.31-37 (Year on year % change): Automatically calculated cells on the basis of the above inputs.
- PD1.38 (Long term CPIH inflation rate): The long term inflations rates for historic years (2024/25 included) are the average year-on-year CPIH percentages and are consistent with PD1.14 to PD1.26 as well as PD1.35.

## **XVIII. Tax Data Table (PD10)**

In line with Ofwat's Response to our Queries dated 24/04/2025 and 01/05/2025 on the PD10 data table for BYA, we have proceeded to update lines PD10.1-8 (PD10.9-10 remain 0%) with 100% thereby replacing the previous percentages of 98%. This is due to the fact that the super deductions referred to in Table PD10 have been replaced by full capital expensing allowances. In this respect and following our year-end review of tax figures, we used 100% for PD10 for 2024/25 for all proportions of expenditure qualifying for super-deduction/ full expensing across all Price Controls.

Also, with regards to 2023/24, we note that in our DD Reps, the PD10 had not been updated for 23/24 actuals in line with the submission guidance that this table was designated as not requiring resubmission and therefore it retained a forecast for 23/24 as submitted with our FBP in October 2023. As a result and in light of the outturns of both last years of the AMP7 now being available to us, we believe that the previously added percentages as 98% in our DD Reps submission (PD10.1-8) for 2023/24 would be good to be slightly updated to 100% as well to reflect the above.

## **XIX. Bioresources Data Table (BIO1)**

The sludge volume figures of BIO1 for 24/25 have been taken from our APR 24/25 submission (table 8A).

## **XX. Assurance Statements**

Our BYA Submission has been prepared in line with Ofwat's guidance, our APR 2024/25 Submission (including its Assurance) and our Internal Assurance Policy (as set out in [Our Assurance Framework](#) supplemented by [ANH47-Assurance-Strategy.pdf](#)) as complemented with the attached Assurance Statement by Jacobs in their capacity as External Assurance Provider for the updated for BYA Input figures to our Reconciliation true up models, the corresponding BYA versions of the Past Delivery data tables and the RCV & Allowed Revenue Adjustment feeder models.