



WATER SECTOR (AMP8) STRATEGY



Overview

Aqua Consultants has operated for over 15 years and now has over 100 highly regarded professionals throughout the UK. Furthermore, as an Adler & Allan group company we offer reach-back to a wider organisation of over 1,000 UK-based specialists. We provide a wide range of Asset Management, Environmental, Strategic, Engineering, Project and Commercial services to clients across the water, energy and environment sectors.

Our vision is 'Growth through shared capability' which relates to the growth of our people, our business, our clients and our partners by sharing our expertise and learning from theirs.

Our mission is to deliver sustainable value for future generations from asset creation through to operation.



Foreword:

As Managing Director of Aqua Consultants, it is my privilege to present our water sector (AMP8) strategy. This blueprint represents our commitment to growth by sharing capability and our ability to adapt to meet the growing demands of the sector and the customers it serves.

The water industry is evolving, facing an array of challenges and opportunities that demand our attention and expertise. In this dynamic landscape, AMP8 serves as a pivotal moment for all stakeholders, requiring a strategic approach that ensures sustainable growth, operational efficiency, and unparalleled customer satisfaction against a backdrop of significant financial and environmental challenges.

At Aqua Consultants, we have collaborated with customers and clients, as well as drawing on the deep industry expertise of our people, to better understand the industry. Drawing upon our extensive experience, we have designed an innovative plan that will empower our people, partners and clients to navigate the complexities of AMP8 successfully.

Our focus has been to create a holistic and robust framework that builds on our wider company strategy, Mission25, drives meaningful change and paves the way for a sustainable and resilient future.

It is worth emphasising that our strategy is not limited to theoretical concepts. Rather, it is rooted in practicality and tailored to the unique needs of each water company we serve. We recognise that every client has distinct challenges and aspirations, and we are resolute in our commitment to delivering bespoke solutions that maximise value and foster long-term growth.

The strategy encompasses an array of domains, from strategic advice, asset management optimisation, and regulatory compliance to environmental sustainability, engineering excellence, stakeholder engagement, and commercial insight.

In conclusion, I extend my deepest thanks to the Aqua Family whose efforts and dedication have brought this strategy to fruition. I also express my sincere appreciation to our clients and partners for their continued trust and collaboration, which have been instrumental in shaping our approach to AMP8.

Together, let us embark on this transformative journey as we shape the future of the water industry. With our collective expertise and shared determination, we can build a sustainable, resilient, and prosperous sector that meets the evolving needs of communities and preserves our most precious resource – water.

Yours sincerely, Ben Shearer,
Managing Director, Aqua consultants

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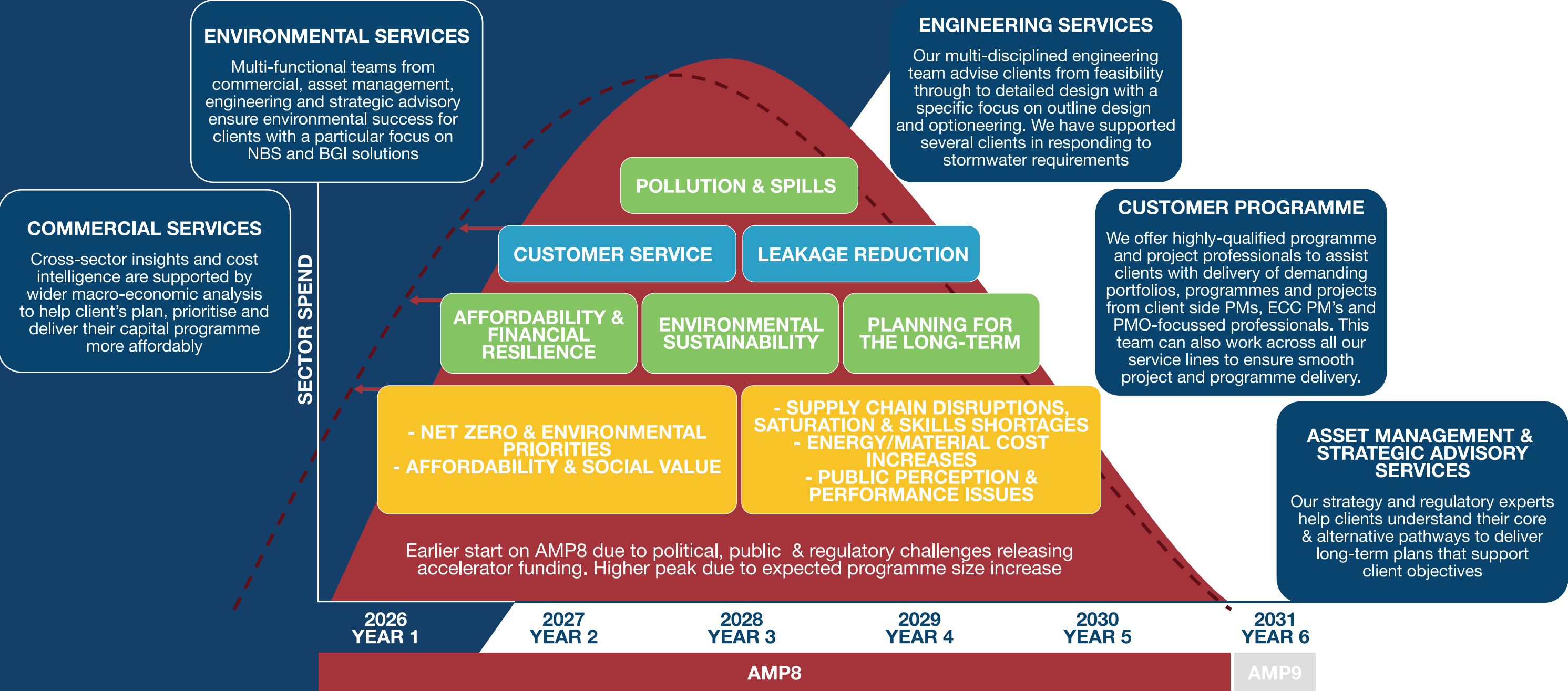
Executive summary

This water sector (AMP8) strategy is built on client feedback and intelligence. It aims to provide an introductory understanding of the water sector in AMP8 including the challenges & opportunities facing Aqua Consultants, our partners, clients, and the industry, as well as an overview of capabilities

required to support growth for all. It should also make clear the linkages between AMP8 and Mission25, re-emphasising the importance of both.



Executive Summary



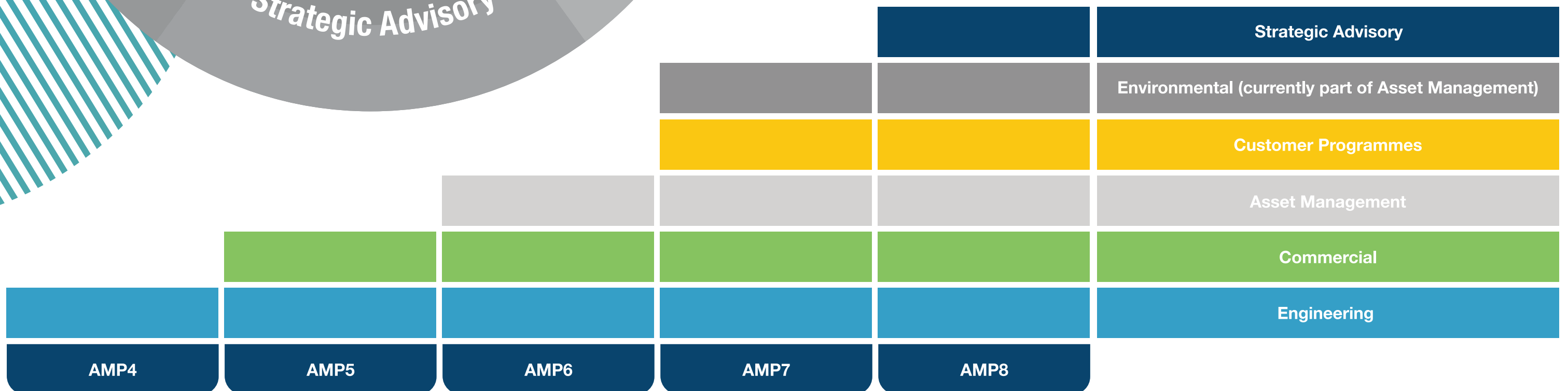
KEY

- Aqua Consultants services addressing key themes and challenges in AMP8 address
- AMP8 theme serviced by Aqua Consultants
- AMP8 theme not directly serviced by Aqua Consultants
- Challenges facing the water sector in AMP8

Growing capabilities to meet growing requirements

Growing our capabilities to meet the needs of our clients and partners

Since Aqua started operations in AMP4 we have responded to the growing needs of clients & partners by adding expertise and capabilities to our service offerings. This diagram shows this growth over time as well as the proactive addition of a strategic advisory service line for AMP8



Understanding the water sector in AMP8

The overall aim for AMP8 is to continue improvements in the performance and resilience of the UK’s water and wastewater networks, while also delivering significant environmental benefits and keeping customer bills affordable.

Key themes and objectives of AMP8 include:



Environmental sustainability: Companies need to prioritise environmental sustainability, with a focus on reducing the sector’s carbon footprint, incorporating nature-based solutions targeting nutrient neutrality and improving water quality.
Shared Capability: Aqua Consultants apply a multi-capital approach to feasibility, optioneering and outline design projects, including TOTEX, carbon, biodiversity, and social value.



Pollution & Spills: With significant political and public pressure, companies will need to deliver significant reductions in spills & pollution incidents. This will be further driven by the Environment Agency as they bring changes to regulation and pollution categorisations and is supported by Ofwat through the early release of significant funding for stormwater improvements.
Shared Capability: Aqua Consultants liaise with clients and regulators to ensure solutions meet the requirements of all stakeholders



Affordability: All the above will need to be delivered with an eye on affordability, particularly considering the current cost of living crisis. Ofwat will aim to strike a balance between delivering necessary improvements to the sector while keeping customer bills affordable.
Shared Capability: Aqua Consultants have led the development of multi-billion pound business cases for multiple clients across multiple Price Review periods.



Constrained resource: Further to the affordability challenge will be a resource & capability challenge as the sector will be expected to deliver significantly more in AMP8 with a supply chain which is already stretched.
Shared Capability: Aqua Consultants foster value-add collaborations & partnerships that allows us to flex resource and deliver more of what matters when it is most needed.



Customer service: Companies will need to demonstrate improved customer service and engagement, with particular emphasis on vulnerable customers.
Shared Capability: Aqua Consultants develop tailored engagement strategies that account vulnerable & seldom heard customers.



Leakage reduction: Ofwat continue their focus on leakage reduction across the sector and has set a target for water companies to reduce leakage by at least 16% over the five-year period.
Shared Capability: Aqua Consultants’ ‘i2s System’ analyses client data to predicting interruptions to supply – and can detect major leaks in networks.



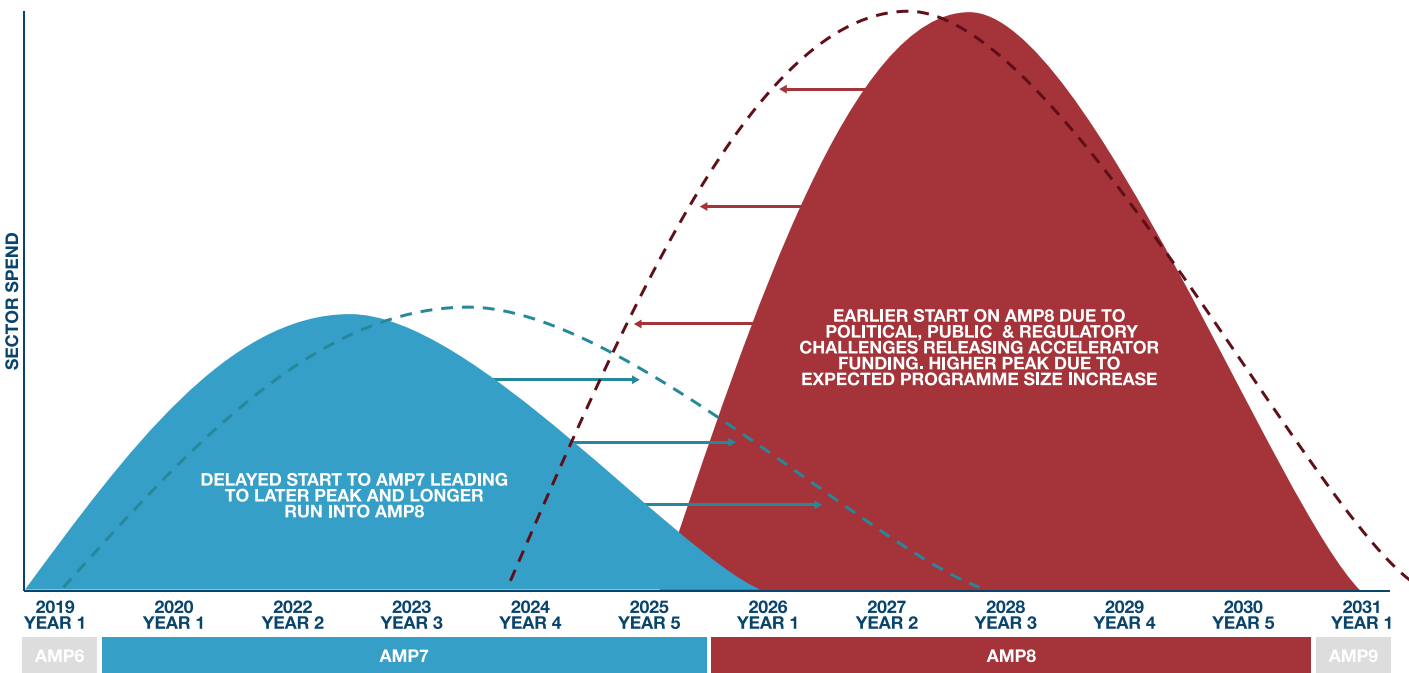
Innovation: Water companies will be expected to innovate and explore new technologies and approaches to improve operations and services. Ofwat will support this with the continuation of their innovation competitions.
Shared Capability: Aqua Consultants develop and co-create systems & technology solutions to continuously improve processes.



Planning for the long-term: Companies are required to submit Long-Term Delivery Strategies (LTDS), alongside Water Resource Management Plans (WRMP) and Drainage & Wastewater Management Plans (DWMP). The focus on WRMP has increased following severe drought in 2022 and the focus on DWMP has increased following initial versions in AMP7.
Shared Capability: Aqua Consultants have led client strategy development from 1 to 30-year time horizons

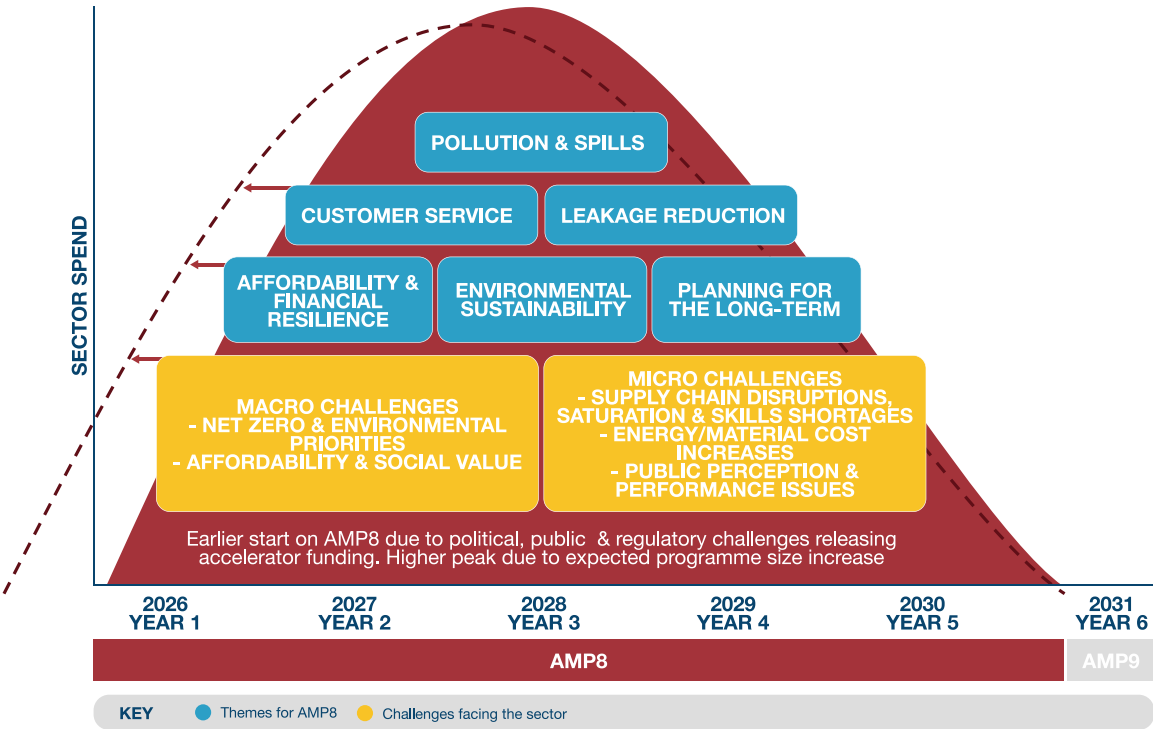
In summary, AMP8 represents a pivotal opportunity for the UK water sector to deliver positive change and improve performance across a range of key areas.

Situation Analysis: AMP8 transition & scale, challenges and capability requirements



“ Going into AMP8 water companies need to be thinking long term (DWMP, WRMP & LTDS) including long term asset resilience, thinking more creatively (blue-green solutions, innovation, customer engagement & partnerships)... Great is having networks with advanced real time monitoring, seeing more green/blue infrastructure that support the environment, having resilient and pollution free networks that companies manage and customers are educated on ”

John Russell-Senior
Director, Ofwat



ENVIRONMENTAL SERVICES

Multi-functional teams from commercial, asset management, engineering and strategic advisory ensure environmental success for clients with a particular focus on NBS and BGI solutions

ENGINEERING SERVICES

Our multi-disciplined engineering team advise clients from feasibility through to detailed design with a specific focus on outline design and optioneering. We have supported several clients in responding to stormwater requirements

POLLUTION & SPILLS

CUSTOMER SERVICE

LEAKAGE REDUCTION

AFFORDABILITY & FINANCIAL RESILIENCE

ENVIRONMENTAL SUSTAINABILITY

PLANNING FOR THE LONG-TERM

- NET ZERO & ENVIRONMENTAL PRIORITIES
- AFFORDABILITY & SOCIAL VALUE

- SUPPLY CHAIN DISRUPTIONS, SATURATION & SKILLS SHORTAGES
- ENERGY/MATERIAL COST INCREASES
- PUBLIC PERCEPTION & PERFORMANCE ISSUES

Earlier start on AMP8 due to political, public & regulatory challenges releasing accelerator funding. Higher peak due to expected programme size increase

CUSTOMER PROGRAMME

We offer highly-qualified programme and project professionals to assist clients with delivery of demanding portfolios, programmes and projects from client side PMs, ECC PM's and PMO-focussed professionals. This team can also work across all our service lines to ensure smooth project and programme delivery.

ASSET MANAGEMENT & STRATEGIC ADVISORY SERVICES

Our strategy and regulatory experts help clients understand their core & alternative pathways to deliver long-term plans that support client objectives

SECTOR SPEND

2026
YEAR 1

2027
YEAR 2

2028
YEAR 3

2029
YEAR 4

2030
YEAR 5

2031
YEAR 6

AMP8

AMP9



Check the
'resources' section
on our website for
thought leadership
on AMP8



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