

United Utilities Sources SRO

Gate 1 Cost Reconciliation

October 2021

Table 1 – Comparison of Gate 1 submission (forecast) costs and final outturn costs

UUS SRO Workstreams	Spend Proportion (%) Gate 1 Submission	Value of spend (£) Gate 1 Submission	Spend Proportion (%) Gate 1 Final	Value of spend (£) Gate 1 Final	Description
Programme Direction & Governance	7.32%	£48,929	8.02%	£48,929	Activities including day-to-day liaison, reviews, decision making and oversight; Programme and Steering boards; managing in-company assurance, reporting and governance; ACWG, Regional Co-ordination Group, RAPID 'Task & Finish' and cross-SRO interfaces and support.
Programme Management & Delivery	11.93%	£79,678	13.06%	£79,678	Senior programme resources, plus PMO, scheduling and PM workstream support.
Assurance & Submission Production	8.42%	£56,221	9.15%	£55,813	Assurance activities including third line assurance and the management of the submission through the internal review and approval processes.
Commercial	4.36%	£29,113	4.77%	£29,107	Assessment and development of initial Gate 1 procurement strategy for the SRO.
Engineering	30.44%	£203,327	33.07%	£201,761	Identification and assessment of source options, completing feasibility, technical and cost estimating assessments to support the development a number of selected options available for this SRO.
Network Modelling	4.44%	£29,652	4.17%	£25,417	Identification and assessment of source options requiring water and wastewater network modelling including water quality blending assessments and initial wastewater catchment feasibility studies.
Environmental	30.96%	£206,801	25.42%	£155,046	We have undertaken environmental assessments of the SRO options following the principles of SEA, HRA and WFD assessment. In addition, we have completed a high-level NCA, BNG assessment and INNS assessment. It also includes NAU third party charges to support these SRO activities.
Stakeholder & Planning	2.14%	£14,263	2.34%	£14,263	Stakeholder engagement planning and activities. Carried out customer research via two studies. An element of the underspend was due to the deferment of customer acceptability Hall Tests, now scheduled for Gate 2. Development of initial Gate 1 planning consents strategy.
Total Costs	100%	£667,985	100%	£610,014	Final Gate 1 costs reduced by 8.7% [£57,971] compared to forecast, primarily due to lower than anticipated environmental regulator costs.

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