

Thames to Southern Transfer

Section 35 Direction Qualifying Request

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from
**Southern
Water** 

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Glossary

Term	Definition
2008 Act	Planning Act 2008.
1 in 200 year	A severe drought – the return period of a significant drought and which is the design drought year in WRMP 19.
1 in 500 year	An extreme drought – the return period of a significant drought and which is the design drought year in the draft Water Resources South East Regional Plan and Southern Water's revised draft WRMP24.
CSMG	Common Standards Monitoring Guidance
DCO	Development Consent Order - a DCO is a statutory instrument that grants consent in accordance with the provisions of the Planning Act 2008 for Nationally Significant Infrastructure Projects or projects of national significance brought into the DCO regime by a section 35 direction. A DCO can combine consent to develop, operate and maintain a project, alongside a range of other approvals that would normally have to be obtained separately such as listed building consent, a marine licence and certain environmental consents. A DCO can also contain powers for the compulsory acquisition and temporary possession of land.
DEFRA	Department for Environment, Food and Rural Affairs.
Drought conditions	Conditions resulting from a shortage of precipitation that has a 0.5% chance of occurring within a 12 month period (defined in s235 of the 2008 Act).
Drought Order	Powers granted by the Secretary of State during drought to modify abstraction / discharge arrangements on a temporary basis.
Drought Permit	An authorisation granted by the Environment Agency under drought conditions, which allows for abstraction / impoundment outside the schedule of existing licences on a temporary basis.
HWTWRP	Hampshire Water Transfer and Water Recycling Project – aims to supplement water supplies for homes and businesses in Hampshire by recycling treated wastewater. It involves a new water recycling plant, Havant Thicket Reservoir, and new pipelines to transport water from the reservoir to Otterbourne Water Treatment Works for treatment to drinking water standards.
NL	National Landscape (formerly known as an Area of Outstanding Natural Beauty); an area of countryside in England, Wales or Northern Ireland which has been designated under the Countryside and Rights of Way Act 2000 to protect, conserve and enhance its natural beauty.
NPS	National Policy Statement for Water Resources Infrastructure
NSIP	Nationally Significant Infrastructure Project
RAPID	Regulators' Alliance for Progressing Infrastructure Development - formed to help accelerate the development of new water infrastructure and design future regulatory frameworks. Made up of the three water regulators: Ofwat, the Environment Agency and the Drinking Water Inspectorate. It was established with the intention of providing a seamless regulatory interface, working with the industry to promote the development of national water

	resources infrastructure that is in the best interests of water users and the environment.
SAC	Special Area of Conservation - land designated under the Conservation of Habitats and Species Regulations 2017 (as amended) in England and Wales and the Conservation of Offshore Marine Habitats and Species Regulations 2017 (as amended) in the UK offshore marine area. Important high-quality conservation sites that will make a significant contribution to conserving the habitats and species.
Section 35 direction	Direction in relation to a project of national significance given under section 35 of the 2008 Act.
SESRO	South East Strategic Reservoir Option – a project to build a reservoir to serve the South East of England.
SoS	Secretary of State for Environment, Food and Rural Affairs.
SPA	Special Protection Areas are protected areas for birds in the UK classified under the Wildlife and Countryside Act 1981 (as amended) and the Conservation of Habitats and Species Regulations 2017 (as amended) in England, Scotland and Wales; the Conservation of Offshore Marine Habitats and Species Regulations 2017 (as amended) in the UK offshore area; and other legislation related to the uses of land and sea.
SSSI	Site of Special Scientific Interest - area of land in England notified as an SSSI
WFD	Water Framework Directive 2006/60/EC - a framework for the protection of inland surface waters, estuaries, coastal waters and groundwater brought into effect in England and Wales through the Water Environment (Water Framework Directive) (England and Wales) Regulations 2017.
WRMP, WRMP19, WRMP24	Water Resources Management Plan – a statutory plan setting out how water companies will supply healthy, reliable drinking water to homes and businesses for at least the next 25 years. These plans are reviewed annually and published at least every five years. The plan published in 2019 is WRMP19 and the next update will be WRMP24 which is intended to be published in final form in 2025.
WRSE	Water Resources South East, made up of an alliance of the six water companies that cover the South East region of England, tasked with developing a regional resilience plan for all users of water that will then be used as the starting point for water supply investment by each water company in the region including Southern Water's operational area.
WSR	Water Supply Reservoir – a site where treated water is stored prior to discharge into the distribution network supplying potable water to homes, businesses and industry
WTW	Water Treatment Works – a site whereby raw water is taken from the environment, treated and discharged into the distribution network supplying potable water to homes, businesses and industry.

1. Introduction

- 1.1 This document represents a 'qualifying request' by Southern Water Services Ltd (Southern Water) under section 35 of the Planning Act 2008 (2008 Act) for a direction from the Secretary of State in relation to the proposed Thames to Southern Transfer (T2ST) project (the Project) to be treated as a project of national significance and therefore development for which development consent is required.
- 1.2 The Project comprises a 80-85km drinking water transfer pipeline and related infrastructure as shown on the indicative site / route plan in **Appendix B**. The Project will transfer treated water from the proposed new South East Strategic Reservoir Option (SESRO) via a new Water Treatment Works (WTW) at the SESRO site to provide secure supply to over 850,000 Southern Water, 40,000 Thames Water and 40,000 South East Water customers in Hampshire and Berkshire.
- 1.3 The Project is geographically complex, requiring works across multiple communities, local authority boundaries, site ownerships and statutory undertakers, with multiple nationally and internationally designated sites and complex crossings of existing major transport and utility infrastructure. The Project will therefore require a wide range of consents, licences, permissions and statutory powers.
- 1.4 The Project does not meet the criteria to be a Nationally Significant Infrastructure Project within section 14 of the 2008 Act because development relating to the transfer of water resources pursuant to section 28 specifically excludes the 'transfer of drinking water' (section 28(1)(d)). For the reasons set out in this request, however, Southern Water considers that the Project is of national significance and therefore should be consented under the 2008 Act regime and in accordance with the National Policy Statement for Water Resources Infrastructure designated in 2023.
- 1.5 Section 2 of this request provides a background to Southern Water and the need identified to increase the water supply and resilience to Hampshire and Berkshire by 2040. Section 3 provides a description of the Project to meet this need. Section 4 sets out how the requirements of section 35 of the 2008 Act are met by the Project. Section 5 describes in further detail the reasons the Project is of 'national significance' and should therefore be treated as a development for which development consent is required. A conclusion is provided in Section 6.
- 1.6 A draft of the section 35 direction sought for the Project has been included at **Appendix A**.

2. Background

- 2.1 Southern Water supplies water and provides wastewater services to over four million customers in the South East of England. Southern Water's operations cover Hampshire, Kent, the Isle of Wight and East and West Sussex, traversing over 700 miles of coastline, National Parks, forests and National Landscapes.
- 2.2 The Project is a key part of the proposals identified in the Water Resources South East's (WRSE) Regional Plan¹, and Southern Water's², Thames Water's³ and South East Water's⁴ Water Resources Management Plans.
- 2.3 Following consultation on its draft Water Resources Management Plan (WRMP) 24, Southern Water published its final draft WRMP24 (2025 – 2075) and Statement of Response on 30th May 2025, confirming Southern Water's preferred strategy to supply drinking water to Kent, Sussex, Hampshire and the Isle of Wight. WRMP24 identifies that Southern Water's supply zones are 'seriously water stressed', that the demand for water can be higher than the amount available, and that without action the forecast deficits will increase significantly during the plan period. Subject to Defra's approval it is anticipated that final publication of Southern Water's WRMP will be in late Summer 2025. Thames Water's and South East Water's final WRMP24s were published in Autumn 2024.
- 2.4 As part of the WRMP24, Southern Water's 'Water for Life – Hampshire' programme seeks to address the need to secure a resilient water supply for households and businesses throughout Hampshire by providing major new strategic resources. Following on from the separate Hampshire Water Transfer and Water Recycling Project (HWTWRP), the Project is the second strategic-scale new water resource development planned within the WRSE Regional Plan and Southern Water's WRMP24 to provide resilience and meet demand for water supply within Southern Water's Western Area from 2040.
- 2.5 The Project will maintain resilient water supplies to customers in Hampshire and Berkshire in normal (non-drought) conditions, with peak capacity utilised in drought conditions (e.g. during severe or extreme drought conditions where there is a prolonged shortage of rainfall). In doing so the Project will also respond to forecast population growth within the catchments, the impacts of climate change, and facilitate planned abstraction licence reductions to meet government aspirations for additional environmental resilience.
- 2.6 The forecast water supply deficit arises largely from existing and planned reductions in water abstraction licences to protect the River Test and River Itchen – which are internationally and nationally designated chalk streams – and deliver UK commitments under the Water Framework Directive (WFD) Regulations. Restrictions arising from Common Standards Monitoring Guidance (CSMG) set by Natural England will also impact on Hampshire's water supplies during normal (non-drought) conditions in order to maintain environmental flow targets for the Rivers Test and Itchen, again with the objective of protecting and enhancing these precious chalk streams. The imposition of further longer-term abstraction reductions beyond this is also planned as part of water resource management plan processes, resulting in increasing water supply challenges both within Hampshire and neighbouring water supply zones.

¹ Water Resources South East (August 2023), Revised Draft Regional Plan

² Southern Water (May 2025), Final Draft Water Resources Management Plan 2024

³ Thames Water (October 2024) Water Resources Management Plan 2024

⁴ South East Water (October 2024), Water Resources Management Plan 2025 to 2075

- 2.7 The pressures on potable water supply derived from the above forecast reductions in water abstraction licences from the two rivers are expected to be further exacerbated by both the increased demand resulting from planned population growth in the region and from the long-term impacts of climate change. It is therefore crucial that this significant project is consented and delivered to address forecast deficits of water supply and to provide resilience for customer supplies.
- 2.8 The Project is one of a limited number of water supply schemes to be progressed through the Regulators' Alliance for Progressing Infrastructure Development (RAPID) gated regulatory process. This bespoke process was specifically set up to facilitate the expedited funding and development of new large-scale strategic water supply schemes by the water companies, in recognition of the urgent need to develop new water resources to safeguard future supplies.
- 2.9 Southern Water confirmed its preferred consenting strategy of making a request for a section 35 direction to bring the Project into the DCO regime in its submissions to RAPID (Gate 1 in July 2021⁵, Gate 2 in November 2022⁶, and subsequent Checkpoint updates). The consenting strategy makes reference to the certainty of timely delivery and the largely combined authorisation of consents enabled by the 2008 Act regime as being critical for the timely delivery of the Project. The Project would also benefit from the clarity and direct support of national policy for water-related NSIPs and projects of national significance, in the form of the National Policy Statement for Water Resources Infrastructure, which confirms that the 'need' for a particular scheme is established when it is included in a WRMP (in this case Southern Water's WRMP24).
- 2.10 It is considered crucial that a section 35 direction is therefore given to enable Southern Water to progress the necessary technical, stakeholder and consenting activities to secure the timely delivery of the Project.

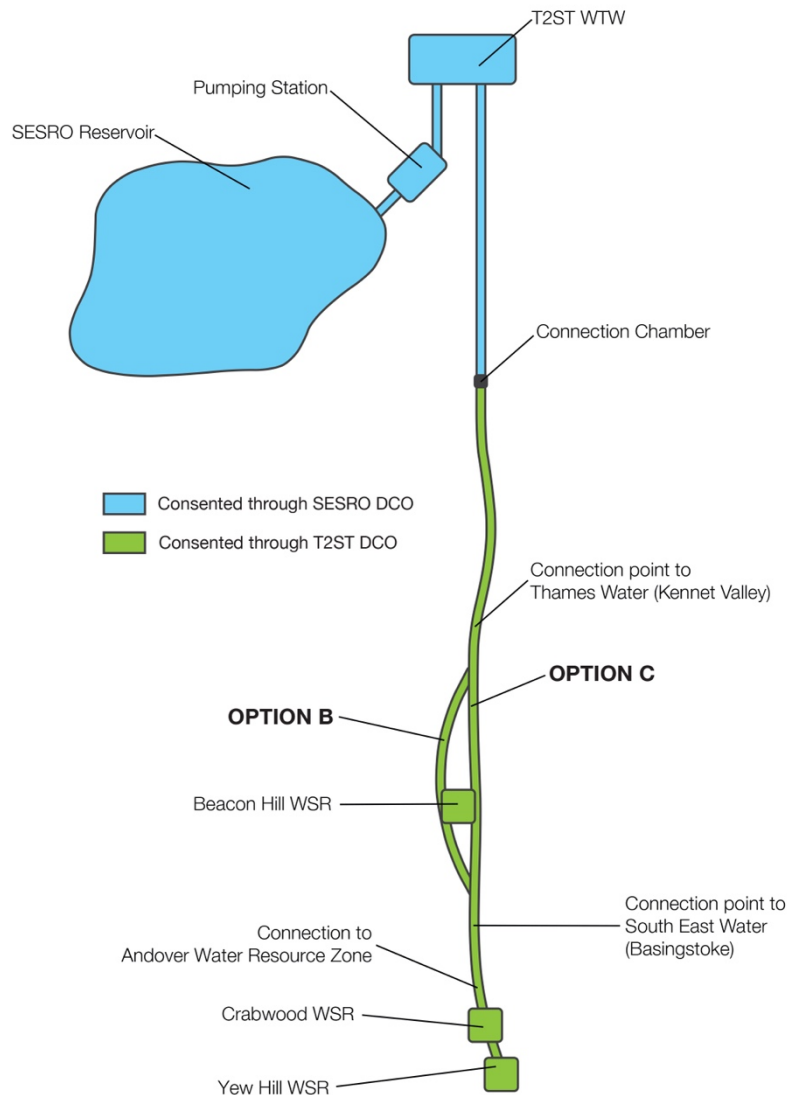
⁵ <https://www.southernwater.co.uk/media/r01fly0k/rapid-gate-1-submission-t2st.pdf>

⁶ <https://www.southernwater.co.uk/media/pwgb2ifo/t2st-gate-2-annex-g-planning-and-consent-strategy-report.pdf>

3. Description of the Project

- 3.1 The principal element of the development comprising the Project to which this section 35 qualifying request relates (the Principal Development) is an underground drinking water transfer pipeline approximately 80-85km in length (the pipeline) capable of transferring 120 megalitres per day (MI/d).
- 3.2 Specifically, the Principal Development would comprise:
- an underground drinking water transfer pipeline approximately 80-85km in length capable of transferring 120 MI/d from a connection chamber within the SESRO site located approximately 5km to the south-west of Abingdon in Oxfordshire, to Yew Hill Water Supply Reservoir (WSR) located approximately 2km south-west of Winchester.
- 3.3 The development would also comprise:
- a range of associated development (as defined by section 115(2) of the Planning Act), which may include, but is not limited to, pumping stations, break pressure tanks, air valves, wash out chambers, connections to existing operational water infrastructure, new points of connection, temporary works to support construction, works to support operation and maintenance, site accesses, highway diversions and landscaping, environmental mitigation, enhancement and compensation measures; and
 - ancillary matters (including matters that fall within the scope of section 120 of the Planning Act).
- 3.4 Following extensive discussions with Thames Water it has been agreed that to supply the drinking water for the transfer pipeline, the following is proposed to be consented as part of the SESRO DCO application:
- A Water Treatment Works (WTW), associated pumping stations, buried pipelines and other infrastructure within the proposed new SESRO reservoir site with a peak output of approximately 120MI/d of water;
 - Underground drinking water transfer pipeline within the SESRO site, from the WTW to a new connection chamber within the boundary of the SESRO site.
- 3.5 The consenting relationship between T2ST and SESRO is illustrated in Figure 3.1 below.
- 3.6 The Project extends from a connection chamber within the SESRO site located approximately 5km to the south-west of Abingdon in Oxfordshire, to Yew Hill Water Supply Reservoir (WSR) located approximately 2km south-west of Winchester as illustrated in Figure 3.1 below and shown on the plan in Appendix B.
- 3.7 The pipeline will include connection points to operational water infrastructure including Beacon Hill WSR, Andover Water Resource Zone, and Crabwood WSR, Yew Hill WSR and to new points of connection for Thames Water for the Kennet Valley Water Resource Zone at Newbury and for South East Water for the RZ4 Water Resource Zone at Basingstoke.
- 3.8 The Project would commence within Vale of White Horse District, then pass through West Berkshire, Basingstoke and Deane Borough, Test Valley Borough and Winchester City administrative areas.
- 3.9 Construction methods for the Project are yet to be finalised, although at this stage it is envisaged that construction of the pipeline will be through a mix of trenched and trenchless techniques.

Figure 3.1: T2ST and SESRO consenting relationship



- 3.10 The Project will pass through an extensive part of the North Wessex Downs National Landscape (formerly Area of Outstanding Natural Beauty) requiring careful routing.
- 3.11 There will also be a number of complex crossings of existing major transport and utility infrastructure such as the M4 Motorway, as well as main rivers and sensitive environmental designations that will require trenchless pipeline construction methods to be used. For example, the Project will need to pass under the River Lambourn Site of Special Scientific Interest (SSSI) and Special Area of Conservation (SAC), and the River Kennet and River Test SSSIs, designations which carry a high level of protection in law and under national planning policy.
- 3.12 The delivery route for the Project is yet to be finalised. Assessment of the most appropriate delivery mechanism is ongoing, including whether the Project could be delivered either by way of a competitively appointed provider under Ofwat's Direct Procurement for Customers (DPC) initiative or by an Infrastructure Provider under the Water Industry (Specified Infrastructure Projects) (English Undertakers) Regulations 2013 (SIPR).

Project use and operation

- 3.13 The pipeline will be capable of transferring up to 120 MI/d. A minimum operating flow of approximately 18 MI/d of potable water would be transferred through the pipeline at all times. This is necessary to maintain the operability of the transfer scheme at all times.
- 3.14 During normal (non-drought) conditions it is expected that the pipeline will also be required to transfer supplies to Southern Water to support essential daily water supplies during summer and early autumn months – when customer demands are at their highest, and once licence constraints are introduced restricting abstractions at existing sources in Hampshire to below existing limits.
- 3.15 During drought conditions, up to the peak capacity of 120 MI/d would be required to be transferred to Southern Water, Thames Water and South East Water.
- 3.16 This is in line with WRSE Regional Plan and WRMP24 requirements, operating on a continuous basis under normal operating conditions, with a higher peak operation in severe (1 in 200 year) and extreme (1 in 500 year) drought conditions. This will ensure that essential supplies to customers in Hampshire and Berkshire are maintained during prolonged dry weather periods when normal sources of supply (i.e. from rivers and groundwater sources) become unavailable due to the planned abstraction reductions.

Project design development

- 3.17 The Project is being developed through a scheme development process considering a range of reasonable alternatives, with the objective of identifying proposed pipeline corridors, routes and sites for the infrastructure elements of the scheme. The evaluations that have been and will be undertaken draw upon criteria from relevant policy and regulations, with particular regard given to:
- National Policy Statement for Water Resources Infrastructure (2023);
 - National Planning Policy Framework (2024);
 - The Infrastructure Planning (Environmental Impact Assessment) Regulations 2017;
 - The Conservation of Habitats and Species Regulations 2017; and
 - The Water Environment (Water Framework Directive) (England and Wales) Regulations 2017.
- 3.18 Potential routings for the proposed underground water transfer pipeline have been considered through work undertaken to date and submitted to RAPID, with the currently preferred two potential pipeline corridors illustrated in the plan in Appendix B. Southern Water and its appointed Technical Partner will review the work completed to date for RAPID. This will include undertaking further and more detailed desk and site-based assessments of these routings, along with other alternatives, ahead of planned consultations on a single preferred pipeline corridor and on the detailed transfer pipeline proposals for the Project's intended DCO application.

4. Section 35 direction qualifying request

- 4.1 The Project does not meet the criteria to be a Nationally Significant Infrastructure Project because section 28 (1)(d) of Planning Act 2008 specifically excludes development relating to the 'transfer of drinking water'. For the reasons set out in this request, however, Southern Water considers that the Project is of national significance and therefore should be consented under the 2008 Act regime and in accordance with the National Policy Statement for Water Resources Infrastructure designated in 2023.
- 4.2 Section 35(1) of the Planning Act 2008 states, so far as is relevant to this request, that the Secretary of State may give a direction for development to be treated as development for which development consent is required, where:
- Criterion 1: the development is, or forms part of, a project in the fields specified in subsection 35(2)(a), which includes the field of water;
 - Criterion 2: the development will be wholly in an area set out in subsection 35(2)(b) and 35(3)(a), namely within England; and
 - Criterion 3: the Secretary of State considers that the project is of national significance, either by itself or when considered with one or more other projects in the same field (subsection 35(2)(c)(i)).
- 4.3 Southern Water considers that the Principal Development meets all three criteria for the reasons set out below:
- Criterion 1: The Principal Development is for a project in one of the specified fields, namely the field of water in accordance with subsection 35(2)(a) of the 2008 Act;
 - Criterion 2: The development will be carried out wholly within the area of England, in accordance with subsections 35(2)(b) and 35(3)(a) of the 2008 Act; and
 - Criterion 3: The Principal Development is a project of national significance for the reasons set out in section 5 of this statement, as per subsection 35(2)(c)(i) of the 2008 Act.
- 4.4 Section 35ZA(1) states that the power in section 35(1) to give a direction in a case within section 35(2)(a)(i) is exercisable only in response to a qualifying request if no application for a consent or authorisation mentioned in section 33(1) or (2) has been made in relation to the development to which this request relates. Southern Water confirms that no application for consent or authorisation mentioned in section 33(1) or (2) has been made in relation to the Project to which this request under section 35 relates.
- 4.5 Section 35ZA(11) defines a 'qualifying request' as:
- 'a written request for a direction under section 35(1) that:*
- a) specifies the development to which it relates, and*
 - b) explains why the conditions in section 35(2)(a) and (b) are met in relation to the development.*
- 4.6 This request is a 'qualifying request' as it is made in writing and specifies the development to which it relates (see section 3 above) and the conditions in sections 35(2)(a) and 35(2)(b) of the 2008 Act are met.

5. Case for national significance

Introduction

- 5.1 This section provides information to assist the SoS in determining whether the Project is of ‘national significance’, either by itself or when considered with one or more projects (or proposed projects) in the same field, as per section 35(2)(c)(i) of the 2008 Act.
- 5.2 The Project is significant as an infrastructure project in its own right, but also as a key component in a wider nationally significant programme of works set out in the WRSE Regional Plan and Southern Water, Thames Water and South East Water’s WRMP24s. The Project would principally address a forecast deficit in water supply for a projected population of over 850,000 people in Hampshire as well as addressing longer term supply shortages in neighbouring supply areas, through the provision of connections for the supply of potable water to Thames Water in the Kennet Valley, and South East Water for Basingstoke. The Project will be a strategically important water resource for the south of England and will play a critical role in meeting the water resource needs and resilience of this large geographical region, which in itself makes it nationally significant.

National Policy Statement for Water Resources Infrastructure

- 5.3 The National Policy Statement for Water Resources Infrastructure (NPS) states at paragraph 1.4.5 that if a project of national significance is included in a published final WRMP, the need for that project would have been demonstrated in line with government policy and the applicable statutory requirements and ‘need’ would not be expected to be revisited as part of the application for development consent⁷. The NPS therefore places considerable weight on the need for a nationally significant infrastructure project as demonstrated in published WRMPs.
- 5.4 In addition, the options appraisal process for identifying the Project as the most appropriate option to take forward through the WRSE Regional Plan and WRMPs has been undertaken in a manner consistent with the Water Resources Planning Guideline⁸, and so meets with the requirements of section 2.5 of the NPS in relation to the role of water resource management plans in identifying the need for a project. The inclusion of a project in a WRMP brings greater certainty into the planning and consenting process for the Project and further evidences the demonstrable need for it.
- 5.5 The Project is included in the draft and revised draft WRSE Regional Plan, in Southern Water’s final draft WRMP24, and in the final WRMPs of Thames Water and South East Water. The final Southern Water WRMP24 and WRSE’s Regional Plan are due to be published in late Summer 2025. Modelling and sensitivity testing undertaken for the WRSE Regional Plan and WRMPs demonstrated that the Project was consistently selected for development by 2040 under all of the scenarios and sensitivity testing undertaken, providing great confidence that the Project will form part of the final plans.
- 5.6 Paragraph 1.4.6 of the NPS states “*The Secretary of State will also consider applications for development consent for projects which do not meet the NSIP criteria, as set out in sections 27, 28*

⁷ Defra (April 2023), National Policy Statement for Water Resources Infrastructure

⁸ <https://www.gov.uk/government/publications/water-resources-planning-guideline/water-resources-planning-guideline>

and 28A of the Planning Act, but which the Secretary of State directs are to be treated as a development for which development consent is required under section 35 of the Planning Act. Where a section 35 direction is made in relation to a scheme which has been identified as a preferred option in a final WRMP, this NPS will apply.” The NPS therefore specifically acknowledges that where a section 35 direction is given, the NPS will apply to the determination of any resulting DCO application for the infrastructure project concerned.

Needs Case – WRSE Regional Plan and WRMP24

- 5.7 The Project is a public water supply project being delivered by Southern Water in accordance with its final draft WRMP24 as required by section 37A of the Water Industry Act 1991. In addition, the Project is reflected in the draft and revised draft WRSE Regional Plan. It is being developed with funding approved under the RAPID Gated Process.
- 5.8 Abstraction licences for the River Test and River Itchen sources (both river abstraction and groundwater) were significantly reduced by the Environment Agency in 2018 to provide additional protection to these rare and sensitive chalk stream environments, especially under low flow conditions in dry and drought years. These abstraction reductions mean that 166 megalitres a day (Ml/d) of water from Hampshire’s rivers would no longer be available for public supply in Hampshire during drought conditions – around 80% of Southern Water’s available supply before licences were changed. This continues to contribute to a significant deficit in the availability of water supplies for customers, especially when coupled with other factors such as climate change, planned growth, and additional potential licence reductions to further protect the environment. Southern Water’s final draft WRMP24 forecasts that by 2040, this will amount to a shortfall of 185Ml/d in Southern Water’s Western Area in a drought, and up to 200Ml/d by 2050. More recent restrictions arising from CSMG will also impact on Hampshire’s water supplies during normal (non-drought) periods in order to maintain environmental flow targets for the Rivers Test and Itchen, again with the objective of protecting and enhancing these precious chalk streams.
- 5.9 Whilst these anticipated future abstraction reduction measures are necessary for the protection and enhancement of the environment, they will put businesses and the growing population of a large proportion of Hampshire and neighbouring supply areas under very significant risk of water shortage when the weather is dry without the timely implementation of new water resource schemes. If Southern Water does not ensure that there is sufficient supply in its network when the weather is dry, the needs of existing communities and economic activities cannot be sustained.
- 5.10 The scale of the deficits arising as a result of the abstraction licence reductions already introduced are so significant that there is a lack of sufficient alternative sources of supply available to Southern Water to maintain supplies to customers in a drought, other than by recourse to temporary Drought Permits and Drought Orders, with consequential economic and environmental impacts. The Hampshire Water Transfer and Water Recycling Project (HWTWRP), another key strategic resource option project identified in WRMP24, will mitigate some of this deficit, however as set out in the WRSE Regional Plan and WRMP24s and explained further below, the combination of further abstraction reductions, climate change and planned growth leads to significant deficits even with the delivery of the HWTWRP and implementing various demand management measures.
- 5.11 As a consequence, an additional longer-term infrastructure solution, namely the Project, must be consented and implemented by 2040 in accordance with the WRSE Regional Plan and WRMP24s in order to safeguard customer supplies and to protect the environment, without recourse to Drought Permits and Drought Orders over the longer term. Until the Project is implemented in 2040, forecast

deficits in water supplies mean that households and businesses in a number of Southern Water's supply areas face serious restrictions to their water supply, which at its most extreme could result in rota cuts and standpipes in a drought.

- 5.12 WRSE's Regional Plan for the period 2025 to 2075 is planning to meet the Government's policy requirements to increase drought resilience for the South East of England to 1 in 500 year resilience. The Project is selected as a core component of the WRSE Regional Plan for implementation by 2040, in order to contribute towards the significant existing and future supply deficits being faced in the whole South East region.
- 5.13 The Project would serve a projected population of over 850,000 people across Southern Water's supply areas in Hampshire, together with an additional 40,000 Thames Water customers in the Kennet Valley and 40,000 South East Water customers in the Basingstoke area. The Project is a critical piece of infrastructure in meeting the water supply deficit facing these areas.

Size and impacts of the Project

- 5.14 The Project proposes a significant (80-85km) underground water transfer pipeline to transfer water from the WTW on the SESRO site to Berkshire and Hampshire. This pipeline would cover a large geographic area to enable construction and access to the construction corridor with the potential to impact a wide range of receptors during both construction and operation.
- 5.15 The Project would be located within five local authority areas and the administrative areas of two County Councils. There would be 'larger than local' construction and environmental impacts arising from the Project, which would likely span across local authority boundaries and affect a number of communities in Oxfordshire, Berkshire and Hampshire within the vicinity of the Project, including potential impacts relating to construction traffic, the historic environment, ecology and biodiversity, landscape and visual amenity, water quality, air quality, land use and agriculture, and noise and vibration.
- 5.16 The Project would be located within and close to numerous sensitive nature conservation, landscape and environmental designations and it has the potential to affect both designated and non-designated habitats and species. The Project could also intersect with sites allocated for development in local plan documents of the host local authorities, particularly in proximity to the major settlements along the pipeline routing.
- 5.17 For example, the underground water transfer pipeline will be routed through the North Wessex Downs National Landscape, and will need to pass beneath, and near to, the River Lambourn Site of Special Scientific Interest (SSSI) and Special Area of Conservation (SAC), and the River Test and Kennet SSSIs – designated chalk rivers supporting species characteristic of calcium rich rivers. Each of these designations is individually of international or national significance. Further work is being undertaken by Southern Water to ensure that the significant number of complex designated sites and habitats are assessed and managed appropriately and that adverse impacts are avoided, minimised or mitigated where practicable.
- 5.18 Whilst Southern Water has not yet directly engaged with landowners, it has undertaken searches on land relating to the pipeline routing options and sites which could be required to deliver the Project. In addition to multiple owners and occupiers, this has identified 'Special Category' land – including open space land, commons and village greens, land held inalienably by the National Trust and

Crown land. Special Category land requires special treatment in relation to compulsory acquisition proposals, and so replacement land may need to be provided as part of the Project.

- 5.19 The route of the underground water transfer pipeline will also need to interface with national strategic road networks (most notably the M4 and A34), railways, watercourses and waterways, and significant utilities, which would be dealt with more appropriately and effectively in a DCO with the necessary enabling powers, legislative disapplications and related protective provisions.
- 5.20 The Project would also interface directly with the proposed SESRO reservoir being promoted by Thames Water on behalf of its partners Affinity Water and Southern Water, which is a strategic water resource scheme requiring a DCO application. This is a critical consenting interface for the Project, with the WTW and related infrastructure proposed to be consented through the SESRO DCO. A DCO for the Project would therefore be a more appropriate consent to manage this interface than would be achievable under the Town and Country Planning Act 1990.
- 5.21 The 2008 Act regime is therefore considered the most appropriate consenting and delivery route for the Project, which will have the potential to impact sites of significance, and to deal with the various interfaces between the Project and other existing infrastructure which would be dealt with via DCO powers and related protective provisions. Using the 2008 Act regime would bring together multiple stakeholders (who would otherwise be the competent authorities for development affecting each designation) as part of the assessment of the DCO application. In turn, this would enable the SoS to determine an application for the granting of the necessary powers, permissions, consents and licences in a coordinated, comprehensive and coherent way with a predictable timeline to decision.

Timely delivery of consents via a single authorisation process

- 5.22 The 2008 regime would provide certainty of timely delivery and a single process for conferring statutory powers (including compulsory acquisition powers) and the requisite consents, permissions and licences for construction and operation of the Project. These aspects of the regime are considered critical to ensure that this strategic water resource scheme is operational by 2040. In the absence of a section 35 direction, the Project would require a wide range of statutory powers, consents, permissions and licences which would have to be sought under a number of different regimes to secure consents and compulsory acquisition of land and rights over land, including the Town and Country Planning Act 1990 and the Water Industry Act 1991.

Impacts of the alternative consenting scenario

- 5.23 In the absence of a section 35 direction, Southern Water would have to submit multiple planning applications for the Project to five local planning authorities who would also need to take into account the views of two different county councils (Oxfordshire and Hampshire) in relation to the implications of the Project for matters within their administrative competence, such as highways. There is currently no efficient procedure outside of the 2008 Act to bring all of these applications (together with land assembly) into a single and coordinated consenting regime, and no fixed timescales for the determination of the planning applications, including on any potential appeal or call-in.
- 5.24 Delivering planning permission for the Project using the Town and Country Planning Act 1990 introduces several risks to timely project delivery, including:

- the piecemeal nature of the multiple applications introducing complexity in application documentation, such as in relation to Environmental Impact Assessment (EIA) scoping and other EIA considerations;
- the risk of delay to the Project through local planning authority processes not aligning, and delays with one application in one authority area impacting on the progress of other applications being considered by other authorities;
- lack of local plan allocation or support for infrastructure of this scale, cross-boundary geographic extent and type, increasing the potential for refusal of part of the Project, necessitating call-in or an appeal and consequential delay; and
- risk of conflicting planning conditions and/or varying requirements (including section 106 planning obligations agreements) across the pipeline route in relation to mitigation, to address different local planning policy and planning authority requirements.

- 5.25 A refusal of planning permission by one local authority, or a potential planning appeal or call-in inquiry, could easily add a number of years to the delivery schedule.
- 5.26 The Project will also require extensive temporary possession of land and permanent land acquisition. Whilst every effort will be made to secure voluntary purchase of land and rights over land where it is required for the Project, given the scale and linear nature of the Project there are likely to be instances where this is not possible. A planning application based consenting route would leave Southern Water relying upon the additional consenting procedures for compulsory acquisition under the Water Industry Act 1991 to deliver the Project. This includes the risk of requiring a compulsory purchase public inquiry which has no statutory timescale for completion, potentially delaying the implementation of the Project even further.
- 5.27 Any significant delay to the Project would not only impact on the delivery of the environmental benefits and resilient water supply that it is intended to achieve but would also damage the reputation of Southern Water and its regulators, and national government, for failing to secure efficient and effective delivery of this critical infrastructure.
- 5.28 A DCO application, supported by the WRSE Regional Plan and WRMP24, would address all of these concerns, and would allow all stakeholders to contribute to a single process in which key information including EIA, Habitats Regulations Assessment (HRA) and Water Framework Directive (WFD) assessment issues, and related mitigation, could be considered efficiently and consistently across the entire project.
- 5.29 The 2008 Act regime would also be underpinned by a strong national planning policy context for such a DCO application to be considered against. This is crucial in filling the policy gaps that exist at the local level for this scale of cross-boundary infrastructure provision.
- 5.30 Separately to planning consent, the 2008 Act regime enables a range of additional consents, permits and licences to be delivered in a single DCO. This would be beneficial to the Project, as Southern Water has identified the potential requirement for approximately 30 secondary licences and consents for the Project covering such matters as open space, highway orders, traffic regulation orders, powers to temporarily close/divert public rights of way during construction works, powers to construct works in watercourses, consents relating to Tree Preservation Orders, hedgerows, and many more. Some of these consents may also have HRA and WFD implications that would be inefficient to replicate across multiple consenting authorities in different areas for the same fundamental underlying project.

- 5.31 If planning permission were to be sought under the Town and Country Planning Act 1990, all of these additional consents, permits and licences would need to be applied for and granted separately, with some only capable of being sought sequentially following the grant of planning permission, increasing the risk of delay whilst all of the separate processes to obtain the necessary consents, permits and licences are completed, including any related public inquiries as a result. This risk would be substantially mitigated by a section 35 direction, as Southern Water would then be able to “wrap up” many of these consents in a single application for a DCO, involving a comprehensive and inclusive Examination process that all interested parties could fully engage and participate in.
- 5.32 Furthermore, there are implications relating to other statutory undertakers impacted by the Project. The linear nature of the proposed pipeline means that there will be a number of crossings of apparatus and land belonging to other statutory undertakers, including crossings of the national strategic road network, local highways, railways and other significant utilities. These crossings would be dealt with more efficiently in a DCO, in a single instrument containing the necessary enabling powers and related protective provisions.
- 5.33 If there is no section 35 direction then these interfaces would all need to be separately negotiated outside of the Planning Act 2008 regime with each utility provider, adding likely delay and cost to the Project.

Benefits of the DCO consenting regime

- 5.34 A DCO would authorise the construction, operation and maintenance of all elements of the Project in largely a single instrument, delivered via a single process.
- 5.35 Southern Water considers that the 2008 Act is far better suited to a project of this scale and complexity, as it was designed to deliver in a single instrument all of the statutory works powers and land powers required for the project, protective provisions for any affected utility apparatus and other interests, and may include consents in relation to secondary consents, permits and licences, and the disapplication of certain other provisions (e.g. addressing any local legislation including byelaws which may otherwise be an insurmountable obstacle).
- 5.36 The 2008 Act provides a clear timescale for the examination, reporting and determination of an application for a DCO, once accepted for examination. Certainty in consenting and onward project delivery timescales would help to reduce costs, borne ultimately by customers, and allow certainty for construction contract bidders via procurement processes, reducing overall consenting and delivery risk.
- 5.37 In October 2024, Defra commissioned an internal regulatory review carried out by economist Dan Corry⁹, the results of which were published in April 2025. The review sought to identify ways in which the regulatory landscape within Defra can evolve to better drive economic growth whilst protecting the environment. While broadly covering regulations within Defra’s remit, the recommendations underline an overall need to streamline regulatory processes to achieve positive outcomes that benefit both the economy and the natural environment.
- 5.38 The Independent Water Commission’s Interim Report (3 June 2025)¹⁰ provides a provisional response to the Commission’s review into the water sector to inform future reform by the UK and

⁹ Dan Corry (April 2025) Delivering economic growth and nature recovery: An independent review of Defra’s regulatory landscape

¹⁰ Independent Water Commission (3 June 2025), Interim Report

Welsh governments. Although the focus of the study is on water regulators, the findings highlight the importance of joined-up strategic planning, rationalisation of the legislative framework and infrastructure resilience.

- 5.39 In commissioning these reviews, the Government has recognised a need to reform the regulatory process to streamline the delivery of essential water infrastructure, further justifying the DCO approach for the Project.
- 5.40 Southern Water recognises that there is a substantial amount of pre-application work required to prepare a DCO application. Securing a section 35 direction is identified as an essential pre-requisite for this work, and for the DCO delivery team to take forward the necessary technical, environmental and engagement activities ahead of an application for consent.

Economic significance

- 5.41 The Project involves a major investment in Oxfordshire and Hampshire and will secure resilient water supplies for communities and businesses in drought conditions. Critically, the Project will make a significant contribution to the economy, principally in Hampshire, but also in Berkshire, by mitigating the risks of debilitating water restrictions for both businesses and households in drought conditions, with the consequential economic impacts that these would bring.
- 5.42 The Government has recognised the importance of infrastructure in driving economic growth in the Spending Review 2025¹¹, with the intended publication of the 10-Year Infrastructure Strategy later in June. In line with the Government's Plan for Change, the Strategy is expected to set out the Government's objectives for achieving resilient growth, based upon its working paper 10 Year Infrastructure Strategy published in January¹². This includes removing barriers to growth through providing infrastructure, including for water resources, in addition to ensuring that growth is resilient to future threats, with water scarcity cited as one such threat requiring adequate infrastructure in place.
- 5.43 The National Infrastructure Commission, in its report Preparing for a Drier Future¹³, estimates that the costs of providing longer term water resilience infrastructure are significantly less than the cost of emergency response measures to maintain water supplies. This doesn't include the cost of subsequent emergency restrictions in the event water supplies cannot be maintained, such as restricting or even cutting off supplies to households and businesses, both of which are unlikely to be publicly or politically acceptable. The report highlights that most options would incur very high costs and some would result in severe environmental damage and risks to public health.
- 5.44 Furthermore, the Project would directly and indirectly offer job creation. There will be significant supply chain opportunities and support for national, regional, and local businesses, in addition to safeguarding and supporting economic growth within the sub-region through securing resilient water supplies for domestic and business customers.
- 5.45 In advance of an abstraction licences inquiry in 2018, Southern Water obtained evidence from Vivid Economics on the estimated economic impacts of the imposition of water restrictions and other drought measures that could be necessary should the abstraction licences be changed and

¹¹ HM Treasury (June 2025), Spending Review 2025

¹² HM Treasury (January 2025), 10 Year Infrastructure Strategy Working Paper

¹³ National Infrastructure Commission (April 2018), Preparing for a Drier Future

additional infrastructure such as the Project not be implemented. Evidence was presented for both business and household impacts. For businesses, the evidence identified that the Gross Value Added (GVA) in the area affected was £22.6 billion (in 2017 prices), giving a daily GVA figure estimated at £62 million. It was clearly identified that as drought restrictions increase in severity (i.e. as the drought itself becomes more severe), so does the impact on GVA, leading up to an estimated £23m a day GVA being lost at the highest level of water use restrictions (level 4 restrictions such as rota cuts and standpipes). For households, it was estimated that level 4 restrictions could lead to £34m a day of impacts.

- 5.46 It is clear from these estimates that the socio-economic costs of one drought that causes level 4 water use restrictions across Hampshire would easily exceed the costs of a new water resource solution. For example, when looking at potential costs to businesses alone, a drought lasting only 45 days would incur over £1 billion in economic costs (at £23 million per day), as would a drought of 90-day duration if those economic costs were half the Vivid Economics estimates (at £11.5 million per day).
- 5.47 Drought incidents can clearly result in significant impacts on local businesses and households. The Project will ensure resilient and secure supplies over the longer-term, substantially mitigating the risk of level 4 restrictions being needed in a drought and avoiding the consequential economic impacts on customers and the economy as a whole.

Contribution to home building

- 5.48 The need for secure and resilient water supplies, and the protection of sensitive habitats linked to existing natural water sources, will only increase in response to climate change and population growth, including the development pressures from a growing population.
- 5.49 Upon election in July 2024, the new Labour Government outlined an intention to deliver 1.5 million new homes in England over the next five years through a Written Ministerial Statement from the Deputy Prime Minister. This would be achieved through planning reform and an update to national planning policy, the latter of which has subsequently been updated through the publication of a new National Planning Policy Framework in December 2024.
- 5.50 In December 2024, the Government published a document entitled Plan for Change¹⁴, setting out the Government's missions to deliver change. This document reinforces the target of building 1.5 million homes in England and fast-tracking planning decisions on at least 150 major economic infrastructure projects. The Government's plan to reform the planning system is grounded in its intention for the system to be pro-growth and pro-infrastructure.
- 5.51 While planning reforms are still forthcoming, with the Planning and Infrastructure Bill introduced in March 2025, the December 2024 update to the NPPF already offers changes in national policy to boost housebuilding through changes to housing targets, affordable housing and Green Belt policy.
- 5.52 The National Infrastructure Commission in its Preparing for a Drier Future report in April 2018, highlights that the water supply system is already strained and that the pressure from climate change, an increasing population, and the need to protect the environment, will only rise over coming decades. The report identifies a need nationally for at least an additional 4,000 Ml/d of

¹⁴ HM Government (5 December 2024), Plan for Change – Milestone for mission-led government

demand management and new water resource development by 2050 and calls upon the Government to increase drought resilience and enhance the capacity of the water supply system.

- 5.53 Southern Water is planning for both drought resilience and the delivery of new housing. Southern Water's WRMP19 projected population growth in the Western area to increase by 16% by 2045 from a 2020 baseline in the highest growth scenario. For those parts of the local authority areas supplied by Southern Water, Southern Water's WRMP19 estimated this at almost 87,000 additional households being connected to its Western area water supply by 2045. Updated growth forecasts utilised in Southern Water's final draft WRMP24 illustrate how the combined impact of HWTWRP and the Project will deliver a secure and resilient water supply that would support the delivery of between 72,000 and 88,000 new households in Southern Water's supply area in Hampshire¹⁵. This includes supporting the delivery of new homes in Basingstoke and Deane Borough, Test Valley Borough, Winchester District, Eastleigh Borough, Southampton, and New Forest. Additionally, the Project will support new development in Thames Water's Kennet Valley (Newbury) supply area, and South East Water's Basingstoke supply area.
- 5.54 Through its water resource management planning, Southern Water plans for how it will manage and develop water resources to ensure a sufficient supply of water to meet anticipated customer demand, including that arising through additional housing growth over a minimum 25-year planning period, factoring in conditions where water supplies are stressed (i.e. drought conditions). Both the Interim Water Resources Planning Guideline 2018 underpinning WRMP19, and the Water Resources Planning Guideline 2021 on which Southern Water's draft WRMP24 is based, set out the need for water companies to prepare their WRMPs based on populations forecasts in relevant local plans so that the resulting water supply does not constrain growth planned by local authorities.
- 5.55 The Environment Agency's 2020 National Framework¹⁶ policy also recognises that "*Water companies plan to meet demand based on growth projections set out in local authority plans. This is to make sure there is sufficient water available to accommodate local housing and population growth.*" Defra's Government expectations for water resources planning document emphasises that "*secure water supplies are required for long term growth*" and expects water companies to ensure that their WRMPs "*align with growth predicted by local authorities and growth that is anticipated in the long-term.*" Critically, it makes clear that "*access to water supplies must not be a barrier to sustainable growth.*"
- 5.56 The growth assumptions underlying Southern Water's draft and revised draft WRMP24 (and the respective WRMPs from Thames Water and South East Water) are based on the housing projections provided by the local authorities. Southern Water's revised draft WRMP24 and WRSE Regional Plan forecast population growth for Southern Water's Western Area between 2022 and 2045, equating to between 72,000 and 88,000 new households by 2045. This is a significant level of housing growth and additional households requiring new supply connections in the Western Area by 2045.
- 5.57 Following on from the separate HWTWRP, the Project is the second strategic-scale new water resource development planned within the WRSE Regional Plan and Southern Water's WRMP and is intended to address Southern Water's significant supply demand deficit in its Western Area. It is an essential part of the water resources strategy to meet forecast future demand within the Western Area arising from the delivery of new housing within the relevant local authority areas. Any delay to

¹⁵ Southern Water (2025), Final Draft Water Resources Management Plan 2024 Annex 7: Demand Forecast May 2025

¹⁶ Environment Agency (16 March 2020) National Framework for Water Resources 2020

the delivery of the Project would not only place a significant additional pressure on an already highly water stressed area but also threaten the securing of a resilient water supply for both the existing population and future growth. The successful consenting and delivery of the Project within an acceptable timescale is therefore crucial to ensuring that the availability of sufficient water resources does not become an impediment to planned housing growth and would fulfil an important role in supporting the Government's priority to promote housing delivery across the UK.

Contribution to the UK's environmental objectives

- 5.58 The Project will make a significant contribution to achieving the UK Government's environmental objectives, international commitments and policy priorities.
- 5.59 The NPS acknowledges that new water resources infrastructure projects have the potential to deliver significant benefits and enhancements resulting in environmental net gain.
- 5.60 The UK is home to globally important wetlands, rivers and chalk streams, the healthy existence of which depends on water quality and availability. Having the right flow in our rivers and protecting groundwater levels is essential to support healthy ecology and enhancing natural resilience to drought. The impacts of climate change and the growing demand for water are putting added pressure on this availability and sensitive environment.
- 5.61 The over-abstraction of water from the environment can alter the natural flow regime of rivers and chalk streams. Current levels of water abstraction from some sources will need to be reduced to protect the environment.
- 5.62 The Rivers Test and Itchen are among the finest examples of chalk streams in the world and are internationally recognised ecosystems that support an abundance of wildlife and habitats. Abstraction licence changes to Southern Water's sources related to the Rivers Test and Itchen, both those that are existing and those that are planned for within the WRSE Regional Plan and WRMPs, are a significant driver for the need for the Project. These licence changes are necessary to reduce the amount of water abstracted from the rivers, in turn protecting and reducing the risk of harm to these sensitive chalk streams. The protection of habitats including chalk streams is identified as essential within the NPS.
- 5.63 Delivery of the Project would ensure biodiversity and environmental net gain, whereby the natural environment would be in a measurably better state than beforehand. Reducing abstractions from sensitive chalk streams would protect existing habitats from the risk of degradation and help to protect environmental features providing benefit to wildlife and people. As such, the Project would contribute to the UK Government achieving its policy for new water resources infrastructure and its wider environmental objectives.

6. Conclusion

- 6.1 By serving a projected population of over 850,000 people across Hampshire, the Project would be a critical piece of infrastructure in meeting the projected supply deficit for a number of Southern Water's water supply zones. The Project will also provide resilience to over 40,000 Thames Water and 40,000 South East Water customers through connections for smaller spur pipelines to the Kennet Valley area for Thames Water at Newbury, and a connection to the Basingstoke area for South East Water. Additionally, the Project will assist in meeting the demand for between 72,000 and 88,000 new households within Southern Water's Western Area by 2045. This is a significant level of housing growth and additional households requiring new supply connections in the Western Area by 2045.
- 6.2 The Project is a significant infrastructure scheme of substantial size consisting of extensive and large-scale water transfer pipelines and above-ground plant. It will interface with multiple land interests, designations, sites of ecological, landscape and historic interest and other major infrastructure, stretching across multiple local authority boundaries requiring an extensive range of consents, powers, licences and permits, whilst potentially having a range of temporary and permanent effects.
- 6.3 The Project would mitigate against the risks of debilitating water restrictions for both businesses and households in drought conditions, with the consequential socio-economic impacts that these would bring. In addition, it would contribute substantially to the UK's environmental objectives and policy priorities by supporting planned abstraction licence changes and protecting internationally significant chalk streams and river habitats.
- 6.4 This request represents a 'qualifying request' made under section 35 of the 2008 Act. The Project is within the field of water and would be wholly within England. The information within this request explains why the conditions in section 35(2)(a) and (b) are met in relation to the development, and why the Project is considered to be of national significance. This request therefore meets the requirements for a 'qualifying request' within the meaning of section 35ZA(11) of the 2008 Act to enable the SoS to give a direction for the Project under section 35(1).
- 6.5 Fundamentally, the certainty of timely delivery and the largely single authorisation of consents enabled by the 2008 Act regime, within a clear national policy context of the NPS, are considered to be critical to ensure that the Project is delivered and operational by 2040 as required by the WRSE Regional Plan and WRMP24s.
- 6.6 For all of these reasons, Southern Water therefore requests that the SoS gives a section 35 direction for the Project, in the form of the draft at **Appendix A** to this request.

Appendix A: Draft section 35 Direction

DIRECTION GIVEN BY THE SECRETARY OF STATE UNDER SECTION 35(1) OF THE PLANNING ACT 2008 (AS AMENDED) RELATING TO THE THAMES TO SOUTHERN TRANSFER PROJECT

1. By an emailed letter to the Secretary of State dated 18 June 2025 ("the Request") Southern Water Services Limited ("the Applicant") formally requested the Secretary of State to exercise the power vested in the Secretary of State under section 35(1) of the Planning Act 2008 (as amended) ("the Planning Act") to direct that the Principal Development element of the proposed Thames to Southern Transfer Project ("the Project") referred to in the Request be treated as development for which development consent is required.
2. In its Request the Applicant advises that the principal elements of the Project ("the Principal Development") comprise the following:
 - An underground drinking water transfer pipeline approximately 80-85km in length capable of transferring 120 Ml/d from a connection chamber within the SESRO site located approximately 5km to the south-west of Abingdon in Oxfordshire, to Yew Hill Water Supply Reservoir located approximately 2km south-west of Winchester.
3. Other elements of the Project comprise:
 - Associated development (within the meaning of section 115(1)(b) of the Planning Act) which may include, but is not limited to:
 - pumping stations, break pressure tanks, air valves, wash out chambers, connections to existing operational water infrastructure, new points of connection, temporary works to support construction, works to support operation and maintenance, site accesses, highway diversions and landscaping, environmental mitigation, enhancement and compensation measures ("the Associated Development"); and
 - Ancillary matters (including matters that fall within the scope of section 120 of the Planning Act) ("the Ancillary Matters").
4. The Project can therefore be summarised as comprising:
 - the Principal Development;
 - the Associated Development; and
 - the Ancillary Matters,all as detailed or referred to in the Request.
5. The Secretary of State has made a decision before the primary deadline in accordance with section 35A(2) and (5) of the Planning Act and wishes to convey that decision.
6. Having considered the Request and the details of the Principal Development, the Secretary of State is satisfied that:
 - the Principal Development is not a project or part of a project that satisfies the necessary criteria to fall within the definition of a "nationally significant infrastructure project" ("NSIP") under sections 14(1) and 28(1)(d) of the Planning Act and therefore it is appropriate to consider use of the power in section 35(1) of that Act;
 - the Principal Development forms part of a project in the field of water accordance with section 35(2)(a)(i) of the Planning Act;

- the Principal Development will (when completed) be wholly within England in accordance with section 35(2)(b) and (3) of the Planning Act;
 - no application for consent or authorisation mentioned in section 33(1) or (2) of the Planning Act has been made in relation to the Principal Development; and
 - the Applicant's Request constitutes a "qualifying request" in accordance with section 35ZA(11) of the Planning Act.
7. Having considered the details of the Applicant's proposals as set out in the Request, the Secretary of State concludes that the Project is of national significance in accordance with section 35(2)(c) of the Planning Act, for the reasons set out in the Annex below.
 8. THE SECRETARY OF STATE DIRECTS under sections 35(1) and 35ZA of the Planning Act that the Principal Development is to be treated as development for which development consent is required. Any application for development consent for the Principal Development may also include any matters that may properly be included in a development consent order (in accordance with section 120 of the Planning Act) including associated development (within the meaning of section 115(2) of the Planning Act) and ancillary matters (per section 120(3) Planning Act).
 9. THE SECRETARY OF STATE FURTHER DIRECTS in accordance with section 35ZA(3)(b) and (5) of the Planning Act that any proposed application for a consent or authorisation mentioned in section 33(1) or (2) of the Planning Act in relation to the Principal Development is to be treated as a proposed application for which development consent is required.
 10. This direction is given without prejudice to the Secretary of State's consideration of any application for development consent which may be made in relation to all or part of the Project.

Signed by

Secretary of State for Environment, Food and Rural Affairs

[date]

ANNEX

REASONS FOR THE DECISION TO GIVE THE DIRECTION

The Secretary of State is of the opinion that the Direction should be given for the reasons below:-

1. The Principal Development, namely the main components of the Thames to Southern Transfer Project, is a development for which development consent should be required since the Project is considered to be nationally significant, having in particular taken into account that the project would:
 - be for a complex and substantial scheme, involving extensive infrastructure works and requiring multiple powers and consents (including multiple planning permissions, compulsory acquisition powers and highway orders), which should be seen as nationally significant development in its own right; and
 - benefit from an application for consent being determined in a timely and consistent manner by the Secretary of State, and by removing the need to apply and the uncertainty of applying for a large number of separate powers and consents.
2. Furthermore, the Principal Development would:
 - provide a substantial number of people across Hampshire and neighbouring water supply zones with a resilient water supply during drought conditions and would be a key piece of strategic regional infrastructure in meeting the modelled supply deficit for a number of Southern Water's water supply zones;
 - make a significant contribution to resolving the overall projected supply demand deficit in Southern Water's Western Area of supply;
 - support the delivery of between 72,000 and 88,000 new households in Southern Water's Western Area of supply by 2045;
 - mitigate against the social and economic risks of debilitating water restrictions for both businesses and households when the weather is dry; and
 - make a significant contribution to the UK Government's environmental objectives and policy priorities.

Appendix B: Indicative proposed development

