Notice of a proposed Habitats Regulations Assessment (HRA) derogation in England and Wales

Notification submitted to the Secretary of State for Environment, Food and Rural Affairs pursuant to regulation 64(5) of the Conservation of Habitats and Species Regulations 2017 (as amended).

(*delete as applicable)

As a competent authority, you must read the guidance on how to consider derogations (exceptions) in an HRA for European sites before you fill in this form.

Use this form to notify the relevant government department, and the Department for Environment, Food and Rural Affairs, that you have completed an appropriate assessment and intend to allow a plan or project with adverse effects on a European site to go ahead under an HRA derogation. You must do this and wait 21 days before you permit the project, carry it out yourself or adopt the plan.

You can adapt the form to suit your organisation.

You should download this form and save it to your computer before you fill it in. Remember to save your changes before you submit it.

Section 1: The plan or project subject to habitats regulations assessment (HRA)

Name or short title of the plan or project:

Location of the plan or project: Testwood Water Supply Works, Testwood, Hampshire

Proposed by:

Southern Water Servies Ltd ("SWS")

Summary of the plan or project:

Water resources modelling using SWS's Western Area 'Aquator' water resources model indicates that, under the current River Test abstraction licence conditions (Table 1-1) there would be a significant supply deficit in the Western Area (Hampshire and Isle of Wight) under a range of low flow conditions. Therefore, there is a need for SWS to apply to relax the HoF from 355Ml/d to 265Ml/d as detailed in the Table below to maintain public water supplies to the Western Area during these low flow conditions

	Stage 0.1 Drought Order Details
Receiving watercourse	River Test
Abstraction sources	River Test, Testwood Source
Normal HoF / licence details	355 Ml/d (licence condition)
HoF control	Flow at the Total Test Flow (TTF)
Proposed drought action	Relax HoF to 265 Ml/d
Permit or Order	Order
Yield (Ml/d)	Up to 80 Ml/d for extreme drought conditions

The lowered river flow condition does not mean that abstraction will be increased to reduce the flow to the lower limit, it only means that SWS may carry on abstracting to the flow of 265 Ml/d, if necessary to maintain public water supplies, depending on the recession of flows in the river.

The recession in flows on the River Test down to the hands-off flow condition of 355 Ml/d will determine when SWS needs the Drought Order. However, due to the exceptionally dry spring experienced across southern England in 2025, flows in the River Test are currently falling towards the HoF and therefore SWS has prepared the application for the Stage 0.1 Drought Order in the expectation that, without significant rainfall in the near term, the Drought Order will need to be implemented.

The proposed end date would be six months after the date that the order starts, or when the flow on the River Test as gauged by the Environment Agency at Testwood Bridge and at its flow gauging stations at Test Back Carrier and Conagar Bridge on recover to and persist above 500,000 cubic metres per day for at least 21 consecutive days, whichever date is earliest (i.e. as per article 4 of the draft Drought Order).

Section 2: European sites affected by the plan or project

Name and site codes of the European sites affected:

UK0012599: River Itchen SAC

River Meon Compensatory SAC Habitat

Advice on European site conservation objectives:

River Itchen SAC Conservation Objectives:
http://publications.naturalengland.org.uk/publication/5130124110331904?category=6528471664689152

River Itchen SAC SACO: UK0012599_River Itchen_SAC_Published 10 Jul 2024

No River Meon Compensatory SAC Habitat Conservation Objectives are published but as compensatory habitat for the River Itchen SAC, it is assumed the same objectives apply for the qualifying features for which the compensatory habitat has been identified (S1106 Atlantic salmon and H3260: Water courses of plain to montane levels with the *Ranunculion fluitantis* and *Callitricho-Batrachion* vegetation).

If a SAC is affected, list any priority habitats and species affected by the plan or project:

Atlantic salmon

Section 3: Adverse effects of the plan or project on the integrity of European sites

List the designated habitats and species adversely affected:

Atlantic salmon

Describe the expected adverse effects:

Principal environmental factors likely to act on salmon within the Zone of Influence ("ZoI") are high temperature, low dissolved oxygen, reduced pollutant dilution and hydraulic variables including low velocities and shallower depth. These physicochemical changes can lead to processes such as:

- Reduction in habitat size (defined by area, volume, velocities, overhead shelter and water quality), that affects holding potential and vulnerability to predation and poaching and crowding that could increase pathogen transmission.
- Reduction in flow-related cues for movements in or out of the holding areas within the ZoI and the connectivity to allow such movements.
- Exposure to lethal or sub-lethal water quality conditions, including high temperature and low dissolved oxygen, that may cause in situ stress-related physiological impacts with consequences for reproductive effectiveness.
- Barriers to river entry through avoidance of poor water quality and high temperatures leading to displacement from the ZoI and Test/Itchen system that may be permanent or lead to displacement, delays and fish missing physiological windows for maturation, or limits distribution of spawners.

Harm in the ZoI may arise from:

- in situ mortality if severe conditions (principally but not exclusively high temperature and low DO, predation, poaching) coincide with salmon presence;
- cessation of migration and sublethal effects through stress-related impacts on health and reproductive biology; and
- displacement to the lower estuary or to coastal waters followed by mortality and permanent loss of spawners, or delayed return as spawners, as autumn flows increase, likely to be accompanied by sublethal effects as in (ii).

Four critical questions arise:

(i) What proportion of Itchen salmon presumptive spawners (of Itchen or Test origin) stray into the ZoI and thus may be subject to in situ effects or displacement? These fish index lost breeding success in the year of the Drought Order.

(ii) What proportions of the Test- and Itchen-origin returning salmon that are presumptive Test spawners are affected in the ZoI? Effects on these fish could lead to a lagged effect on Test subsidy to the Itchen in 3-4 years.

(iii) What are the actual exposures and responses of these salmon categories to harmful ZoI environments and, and how does that translate through population dynamics into the SAC salmon population properties of production, sustainability and resilience?

(iv) What is the increased degree of environmental change and thus harm and spawning loss attributable to the Drought Order, relative to natural drought conditions?

None of these can be quantified reliably. Salmon exhibit strong homing behaviour, with over 90% typically returning to their natal rivers and fewer than 10% straying. However, most literature focuses on straying among breeding individuals, rather than exploratory straying, which is more common. Exploratory straying is often corrected as fish backtrack to their natal rivers. The River Test and River Itchen are genetically very similar and geographically close, which may increase both functional (breeding-related) and exploratory straying compared to other systems. Although this remains uncertain, it introduces additional risk into the assessment

Given the poor state of the Itchen SAC salmon population, i.e. recent historically low numbers of returning adult salmon, even the potential for loss of a small number of salmon, as a result of implementation of the Drought Order would be considered to represent a failure against the relevant site Conservation Objectives in respect of salmon. Additionally, environmental conditions within the channel have been described that could alter the distribution of the species, potentially preventing them from entering the river and being lost to the spawning population entirely.

The Drought Order may result in adverse effects on the supporting processes on which qualifying natural habitats and the habitats of qualifying species rely, the population of a qualifying species and also the distribution of the qualifying species.

Describe any restrictions or modifications you have applied (mitigation measures):

Mitigation measures available to SWS for this Drought Order in 2025 are relatively limited in number and, with the exception of the Reduction in diffuse pollution sources on Blackwater (which is used more by sea trout than salmon in any case), likely to have a local benefit only.

Measures defined and an assessment of their potential effectiveness are detailed in the table below.

Measure	Nature of impact mitigated?	Physical / chemical effect	What feature benefits?	Extent of benefit	Confidence in measure	Scale of benefit
Habitat improvement Lower Wirehouse Stream	Direct flow impacts	Enhanced provision of in channel salmonid habitat, particularly for parr. Improving resilience of population	SAC salmon	Will improve local conditions for salmon population over 700m of channel	High	Moderate
Fencing along the Little River Test	Direct flow impacts Indirect flow impacts (WQ and temp)	Improve channel conditions/reducing sediment input/expanding suitable areas of habitat for the Test salmon population, improving its overall resilience	SAC salmon	Will improve local conditions for salmon population over 100m of Little River Test channel	Moderate	Low
Repair of bank erosion at Testwood WSW	Direct flow impacts Indirect flow impacts (WQ and temp)	Improve channel conditions/reducing sediment input/expanding suitable areas of habitat for the Test salmon population, improving its overall resilience	SAC salmon	Will improve local conditions for salmon population over 50m of Great Test channel	Moderate	Low
Repair of two further areas of bank erosion	Direct flow impacts Indirect flow impacts (WQ and temp)	Improve channel conditions/reducing sediment input/expanding suitable areas of habitat for the Test salmon population, improving its overall resilience	SAC salmon	Will improve local conditions for salmon population over 175m of Great Test channel	Moderate	Low
Reduction in diffuse pollution sources	Indirect flow impacts (WQ)	Improve water quality in the River Blackwater reducing sediment input, improving overall resilience of the salmonid population	SAC salmon (and sea trout)	Chemical benefits along several km of the Blackwater channel and downstream into Great Test with improved WQ and reduced sediment inputs.	Moderate	Moderate

				Salmon population in whole river		
Reduce pollution (Nursling Industrial Estate outfall)	Indirect flow impacts (WQ)	Improve water quality in Little Test, particularly in respect of first flush following storms	SAC salmon	Chemical benefits in the Little Test d/s of the outfall and in the upper estuary (approximately 1.5km)	Moderate	Moderate
River shading	Indirect flow impacts (temperature and potentially dissolved oxygen)	Tree planting in two areas, with two more planned. However, until the trees reach sufficient size artificial shade will be implemented where required to cover holding water downstream of the storm hatches at Testwood Mill.	SAC salmon	Temperature reduction (and potentially retention of higher dissolved oxygen)	Moderate	Low
Aeration	Indirect flow impacts (WQ and temperature)	Aeration will mitigate physico-chemical (especially dissolved oxygen) quality and potentially temperature – in emergency.	SAC salmon	The benefits are potentially 20% to 50% improvement in dissolved oxygen, depending on initial saturation level and proximity of deployment. Overall local benefit	Moderate (but only an emergency measure)	Low (but only an emergency measure)
Fish rescue	Direct flow related (population distribution)	Remove distressed fish to areas with improved flow conditions (likely upstream of the abstraction) in emergency.	SAC salmon	Local to the area in which the fish are distressed	High (but only an emergency measure)	Low (but only an emergency measure)

A mitigation package which, if implemented in full would be considered sufficient to mitigate for the effects of a Stage 0.1 Drought Order at Testwood, based on the status of the Itchen SAC features at the time, was agreed in 2018 under the Section 20 Agreement (as referred to below in Section 4). However this was to outline design for most measures, with future funding to implement to be confirmed. The measures included comprised:

- Measure 1: River restoration to improve chalk stream habitat in the River Test.
- Measure 2: River restoration in the Test to improve conditions for the fish community.

- Measure 3: Increasing shading in the River Test downstream of the lower boundary of the Watercress & Winterbournes HLF Project – Hampshire's Chalk River Headwaters Landscape Partnership Scheme – to the boundary of the M27.

- Measure 4: Significant increase in support to the Watercress & Winterbournes Project – Hampshire's Chalk River Headwaters Landscape Partnership Scheme.

- Measure 5: Support to the Test & Itchen Catchment Partnership (TICP).

SWS confirms that no significant progress has been made in respect of Measures 1-3 but, in contrast, Measures 4 and 5 have demonstrated considerable success in fostering catchment-wide stakeholder engagement and facilitating broader implementation of environmental initiatives. These measures are based on the principle that upstream catchment improvements will yield downstream benefits to habitat conditions within salmon-supporting reaches. Funding for all five measures remains secured through 2030, with implementation activities ongoing.

SWS Ecological Resilience Fund

SWS has established an Ecological Resilience Fund (which incorporates the previous Drought Resilience Fund) to enable wider catchment stakeholders to undertake environmental improvement projects that will provide benefit to the wider River Itchen and River Test catchments. To ensure projects provide that important benefit, a governing steering group has been established, with the Environment Agency and Natural England as key members, where all project scopes are reviewed before funding is approved and allocated.

Summary of the advice provided by Natural England or Natural Resources Wales and how you have taken it into account:

SWS has been consulting Natural England (and the Environment Agency) throughout the preparation for the application. Over the last 12 months, starting in mid-2024, SWS, Natural England and the Environment Agency came together to resolve differences in approach and interpretation of available data. They agreed a collaborative way forwards that has informed the HRA dated 17 July 2025 (Ref No. UK0028294.1948_R001.3).

Furthermore, over this period SWS has been working on an enhanced list of mitigation and compensation measures that will be implemented to further reduce and / or offset the potential effects of drought permits/orders that may be needed on both the Itchen and the Test. Two River Test Drought Permit specific meetings were held on the 7th May 2025 and 10th June 2025 with Natural England and the Environment Agency to discuss these measures and agree the position with respect to potential for effects of the Drought Order and the available mitigation and compensation.

Natural England has subsequently reviewed and comments on the HRA Rev 1.0, and their comments have been addressed.

The HRA is consistent with the advice from Natural England (and the Environment Agency).

Attach a full copy of the HRA undertaken to date (screening, appropriate assessment and conclusions regarding site integrity) and copies of advice or representations received from the statutory nature conservation bodies.

Copies of the following are attached:

1. Report to inform an assessment under Regulations 63 and 64 of the Conservation of Habitats and Species Regulations 2017 dated 17 July 2025 (Ref No. UK0028294.1948_R001.3)

2. Section 20 Agreement dated 29 March 2018

2. Test Surface Water Stage 0.1 Drought Order HRA_v1_CommentsLog.xls which presents all comments received on Rev 1.0 of the HRA, and the Salmon Note that accompanied it, and how these have been addressed.

Section 4: Consideration of alternative solutions

Show how you have considered and can demonstrate that there are no alternative and less damaging solutions to the plan or project as proposed:

[For example:

Consideration of options for water supply is a key part of developing a Water Resources Management Plan (WRMP). It is important to have a suitably large and diverse set of options to choose from when coming up with solutions to meet future water needs. This process is typically carried out every 5 years with each WRMP cycle. SWS has carried out several options appraisals since publication of the WRMP 2019 (WRMP19) in an effort identify suitable alternatives to a drought permit/order on the River Test at Testwood for the Western Resource Zone as part of the Regulators' Alliance for Progressing Infrastructure Development (RAPID) gated process, through SWS's 'Water for Life Hampshire' (WfLH) programme.

The extended options appraisal process has also been driven by the agreement SWS signed with the Environment Agency in 2018 under Section 20 of Water Industry Act 1991 ("the Section 20 Agreement") in order to protect the River Test and River Itchen. As part of the agreement, SWS agreed to a reduction in abstraction licences on the rivers Test and Itchen and to use 'all best endeavours' to end its reliance on water from the rivers.

Most recently SWS carried out options appraisal exercises for the Water Resources South East (WRSE) Regional Plan and the WRMP 2024 (WRMP24). A targeted review of options was also undertaken following the publication of the draft WRMP24 (dWRMP24) to inform the revised draft WRMP24 (rdWRMP24) with a further refinement for the final draft WRMP24 (fdWRMP24).

The WRMP24 assessed over 1000 options in total across the whole SWS supply area.

However, it was already agreed and established through the Section 20 Agreement and existing Drought Plans and WWRMPs that there are no alternative supplies in the Western Resource Zone other than the Testwood Surface Water abstraction that are of sufficient magnitude or deliverable in the time for a 2025 drought application.

Whilst Drought Plan 2022 (DP22) and Water Resource Management Plan 2024 (WRMP2024) are still at draft status, the underlying water resources situation remains broadly similar in these plans in that no alternative sources of water of sufficient magnitude are available until such time as the planned RAPID1 schemes, such as the South East Strategic Resource Option (SESRO) (and the associated Thames to Southern Transfer (T2ST) pipeline) and the Hampshire transfer and recycling scheme at Havant Thicket, are operational alongside the Hampshire Grid. This will not be until 2035 at the earliest.

[1] https://www.ofwat.gov.uk/regulated-companies/rapid/the-rapid-gated-process/

Existing connections do exist between Hampshire Southampton East and Hampshire Southampton West. It is possible for additional abstraction to occur from the River Itchen (surface water and nearby groundwater) to reduce reliance on Testwood, but this is discounted as an alternative option because:

(a) the abstraction would also be from the River Itchen SAC and so no less damaging; and

(b) the agreed Section 20 Agreement hierarchy is for Drought Permits/Orders on the River Test to be in place before increased abstraction from the River Itchen sources.

It remains the case that SWS are required to follow the published drought plan actions in terms of bulk supplies, demand management, leakage reduction etc. in order to minimise the amount of abstraction at Testwood below the HoF of 355Ml/d.

It was originally considered that the application for this HoF relaxation could be made by way of an application for a Drought Permit (consistent with the Section 20 Agreement). However, subsequent to the Section 20 Agreement, the conclusion of the Stage 2 assessment was that "*for the River Itchen SAC, it is not possible to conclude there will be no adverse effect on site integrity for the River Itchen SAC even with mitigation in place*". In consequence, consistent with the Environment Agency's guidance and advice, it was considered that an application should be made to the Secretary of State for Environment, Food and Rural Affairs for a Drought Order in relation to the proposed HoF relaxation, having considered imperative reasons of overriding public interest and provided compensation.

Therefore, SWS has applied for a Drought Order to lower the HoF, as opposed to Drought Permit. This approach has been taken in light of Environment Agency's guidance and advice, and is the approach that has been assessed in this *Report to inform an assessment under Regulations 63 and 64 of the Conservation of Habitats and Species Regulations 2017* dated 17 July 2025 (Ref No. UK0028294.1948_R001.3).

Overall it is concluded that there are no feasible alternative solutions to the Proposed Stage 0.1 Drought Order.

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Section 5: Consideration of imperative reasons of overriding public interest (IROPI)

Describe your proposed reasons for authorising, undertaking or giving effect to this plan or project despite a negative assessment of its implications for European sites:

(a) imperative

The abstraction at Testwood is licensed for 80 Ml/d and SWS's predictions are for an average of 58 Ml/d to be required during the Drought Order period (accepting that day-to-day demand can vary, especially during hotter periods of weather). The majority (47 Ml/d) of the water required from Testwood on average is for Public Water Supply in Hampshire Southampton West (35 Ml/d) or the Isle of Wight (13 Ml/d) via the Cross Solent Main.

When the River Test flow falls to the HoF under normal abstraction licence conditions, then SWS must stop abstracting.

Water companies are required by law to provide a continuous supply of clean water that meets strict quality standards. These rights and obligations are set out in the Water Industry Act 1991[2]. Underlying this, the UK recognises a right to water and a right to sanitation are elements of the right to an adequate standard of living in Article 11 of the International Covenant on Economic, Social and Cultural Rights.

The project should be considered 'imperative' because, if it does not proceed SWS will find that it cannot meet its legal requirements to supply of clean water to the population of the Western Resource Zone in the very near future Based on current projections and modelling, it is estimated that the HoF on the River Test will be crossed on 17 August 2025.

(b) in the public interest

Water companies are required by law to provide a continuous supply of clean water that meets strict quality standards. These rights and obligations are set out in the Water Industry Act 1991. Underlying this, the UK recognises a right to water and a right to sanitation as elements of the right to an adequate standard of living in Article 11 of the International Covenant on Economic, Social and Cultural Rights.

Water is essential for human life and for the body to function. Among other things, it provides a medium for most chemical reactions in the body, it helps transport nutrients and it's particularly important for thermoregulation. Hydration, and provision of sufficient drinking water to maintain this, is therefore critical. Whilst a human can tolerate a certain low level of dehydration, as dehydration increases this can lead to performance decrements, poor concentration, headache and a range of other adverse health effects and illness. This is likely to be made worse by higher temperatures often associated with drought conditions.

Domestic uses most closely linked to human health being:

- drinking and cooking;

[2] https://www.legislation.gov.uk/ukpga/1991/56/contents

- sanitary facilities – toilets, bathrooms, showers;
- domestic food production; and
- washing – washing machines, dishwashers

Additionally, there is the requirement for continuous water supply to a range of healthcare settings (e.g. hospitals, surgeries, care and nursing homes) within the Western Resource Zone.

This project is therefore very clearly in the public interest at a local and regional level, given the extent of the water supply zone affected.

(c) overriding the harm that would be caused to the European sites

The conclusion of Stages 1 (screening) and 2 (appropriate assessment (AA)) of the *Information to support an assessment under Regulation 63 of the Conservation of Habitats and Species Regulations* in respect of Testwood Stage 0.1 Drought Order is that an adverse effect on the integrity of the River Itchen SAC site and the River Meon Compensatory SAC Habitat cannot be discounted alone and in-combination with the proposed renewal of Southampton Port's Maintenance Dredge and Disposal Licence and hence continuation of maintenance dredging activity. This conclusion is reached due to the potential effect of the reduction of flows in the River Test below the licensed HoF on the River Itchen SAC salmon population and the salmon population of the River Meon Compensatory SAC Habitat, with effects in the estuary potentially compounded by the continuation of dredging, albeit this assessment is considered precautionary and uncertain in nature.

However, based on the information provided above, it is concluded that there are no feasible alternative solutions to the proposed Testwood Stage 0.1 Drought Order, and that the supply of sufficient drinking water to meet demand, in order to sustain public health during a period of water scarcity in the environment, meets the requirements of being:

- Imperative
- In the public interest; and
- Overriding.

There would be a significant risk to human health if this were not to be approved because SWS would not be able to meet public demand and its legal requirements. It is therefore clear that relaxation of the HoF on the River Test to provide public water supply represents an overriding public interest that outweighs the potential harm to the River Avon SAC.

Provide copies or a summary of any formal or informal advice you have received from Natural England or Natural Resources Wales, or any other statutory adviser, relevant to the consideration of IROPI:

No separate advice provided in respect of IROPI. SWS has only received the advice previously referred to through the Natural England review of the Report to inform an HRA.

Summarise how you have taken this advice into account:

If a priority SAC habitat or species could be adversely affected by the plan or project, indicate which of the following public interests the reasons relate to:

- human health and public safety

The implications of this application in respect of risks to provision of beneficial consequences of primary importance to the environment are considered to be limited and unlikely to meet the criteria of being either 'imperative' or 'overriding' and therefore are not considered further in this assessment.

Section 6: Consideration of the necessary compensatory measures

Provide an overview of the compensatory measures that have been secured, and which will be undertaken should the plan or project proceed:

Compensatory Habitat

The physical effects of the Stage 0.1 Drought Order are restricted to the River Test and upper Test estuary.

SWS has therefore proposed compensatory measures on the River Itchen. This has the key feature of maximising benefit to the River Itchen salmon population itself, but which will also likely benefit the salmon population across the three rivers through increased resilience and sustainability.

WOODMILL ACTIVITY CENTRE

Woodmill Activity Centre is used here to describe Woodmill Salmon Pool and connection to Monks Brook and the River Itchen and land in between.

Woodmill sluice is located at Woodmill Activity Centre (approximate National Grid Reference SU4396015235) and connects Woodmill Salmon Pool to the River Itchen. The sluice is known to be a significant issue for salmon trying to enter the River Itchen:

- the large sluice gate and the old fish pass represent one of the first barriers that salmon and sea trout are required to negotiate when moving from the estuary into the lower river;
- the pool is fished and any fish held up here are vulnerable to increased exploitation through angling pressure or predation; and
- the in channel conditions for salmon in the pool below the sluice are sub-optimal, with no shade available to limit warming of the water by direct sunlight and no refuge areas.

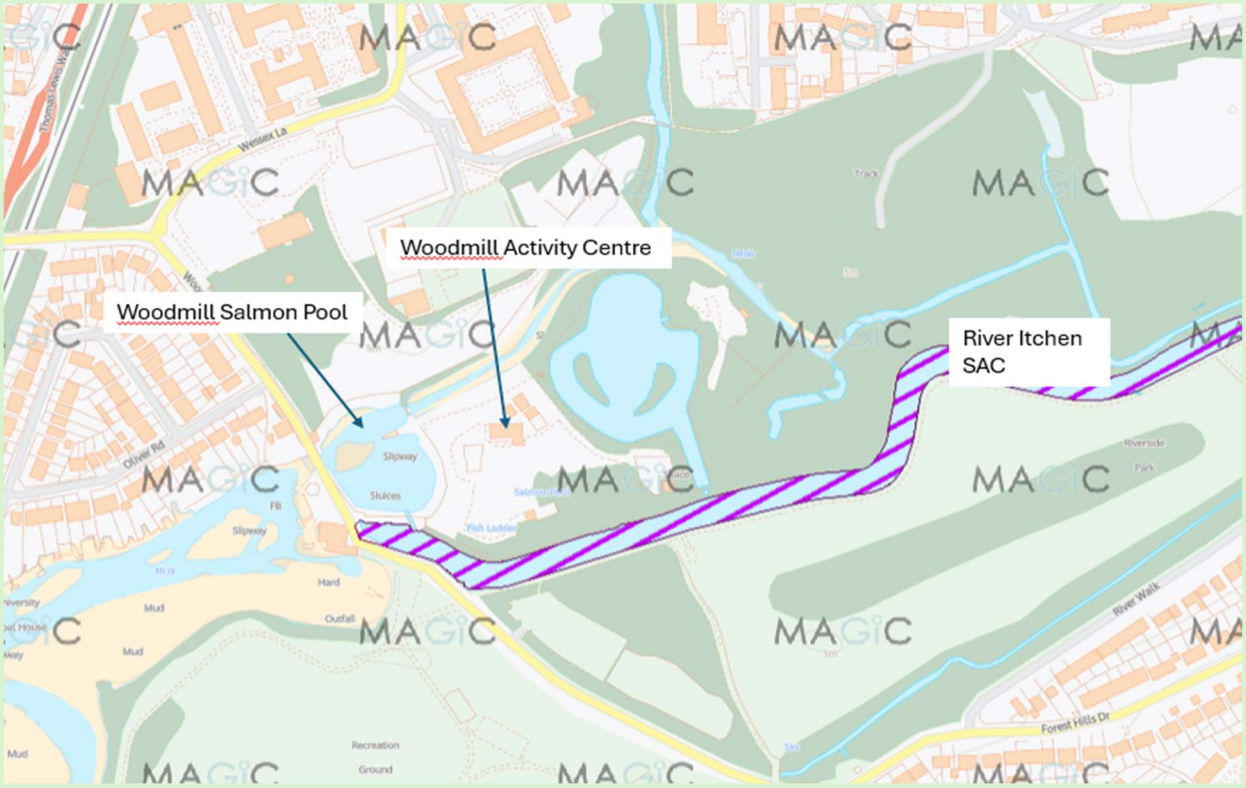
PROPOSALS

Woodmill Activity Centre (see Figure below) has recently been put up for sale by Southampton City Council and SWS has been informed by the Council that their bid, which is jointly made with the Scouts, is the preferred bid, and will be going to cabinet for the final approval in July 2025.

As part of their bid SWS put forward the following proposals:

- improve fish passage between Woodmill Salmon Pool and the River Itchen, with the known current issues of the sluice structures and current fish pass;
- alter management of Salmon angling on the pool and areas controlled by SWS; and
- improve in channel conditions for salmon in the pool by, for example, increasing shade provision to reduce the warming effects of the sun on the pool.

Location of Woodmill Activity Centre and Salmon Pool (© Magic.gov.uk)



The proposed measures are located outside, immediately downstream of, and bordering, the River Itchen SAC (see figure above). Whilst it is possible that some of the planned

enhancement work will be required on the bank of the river in the designated reach, the measures will result in significant enhancement of fish passage, improved habitat conditions for salmon when refuge within the pool is required and reduced stress for fish related to angling that will significantly outweigh any potential for very localised disturbance of the bank.

Alongside the development of detailed proposals, SWS will develop and implement a monitoring plan in consultation with the Environment Agency and Natural England, which will include both pre- and post-scheme monitoring to demonstrate the effectiveness of the compensation proposed. Monitoring will be undertaken by SWS or its nominated monitoring contractor, with elements also potentially undertaken by the Environment Agency (subject to agreement).

The principles of the proposals have been discussed with the Environment Agency and Natural England during the bidding process for the purchase, and have been agreed as significantly beneficial to the salmon population on the River Itchen.

Once the purchase is complete there will be a staged approach to implementation of the proposed measures:

- The management of salmon angling will be altered, most likely reduced in intensity, almost immediately. This will be undertaken in collaboration with the fishery
- In respect of improvements to fish passage and introduction of shading and fish refuge areas in Woodmill Salmon Pool, there will be a feasibility and design stage (expected to be completed 2027) followed by an implementation programme, with implementation expected in 3 years time (expected to start in 2028), subject to planning, permitting and public engagement.

The funding for the purchase of the Salmon Pool, and the proposed design, establishment and future maintenance is in place.

SWS proposals at Woodmill Activity Centre will make a significant contribution towards achieving the objectives of the recently launched Itchen Salmon Delivery Plan, which is '*a collaborative initiative uniting conservation groups, fisheries experts, and environmental organisations in a concerted effort to save this endangered population. Through habitat restoration, improved fish passage, water quality initiatives, water resources management, and community engagement, the ISDP is taking a holistic approach to tackling the challenges salmon face*' (https://www.hiwwt.org.uk/save-our-salmon).

The benefits realised by the proposals in respect of the salmon population will include:

- Reduced losses of salmon to predation when they are held up at Woodmill sluice.
- Reduced losses due to post-capture stress. Although anglers return all salmon to the river following capture, only 80% of these may survive to spawn and there is also a reported further sublethal loss of reproductive success from the stress of capture and release which can be a further 30% (see the Salmon Note in the

Appendix B). Where rod exploitation is high, such as on the Test and Itchen this is very important. Restriction of angling pressure at Woodmill Salmon Pool will result in fewer salmon being captured, and hence more surviving to spawn. Whilst it is recognised they will still be susceptible to capture further upriver, SWS will have done what it can to reduce that pressure.

- Increased rate of salmon passage up river by improving passage, thereby providing improved access to the whole SAC upstream.
- Improved downstream salmon smolt passage.
- Enhancing passage can be also expected to benefit salmon through reduced energy expenditure and metabolic stress, reduce exposure to thermal stress, improved migration success and improved spawning success. As for post-capture stress above, whilst it is recognised that there are other structures on the Itchen that slow salmon passage, SWS will have done all it can at Woodmill Salmon Pool to reduce physical stresses on salmon entering the SAC.

CONCLUSIONS

Based on professional judgement, and having taken advice from the Environment Agency and Natural England during two meetings, these benefits are considered to exceed the residual adverse effects of the Drought Order that remained after mitigation has been taken into account. Moreover, these proposals are considered to meet criteria required for them to be considered as compensation as:

- SWS will imminently become owners of Woodmill Activity Centre. Therefore, these proposals can be considered to be secured, as required by the Habitats Regulations.
- The proposed measures will result in significant enhancement of fish passage, improved habitat conditions for salmon when refuge within the pool is required and reduced stress for fish related to angling.

Furthermore, in respect of the key considerations for compensation detailed on the .GOV.UK website the following points are important:

- Feasibility: The measures will be technically feasible as they will undergo feasibility and design optioneering stages prior to implementation. The measures proposed are expected to be effective in respect of the benefits discussed.
- Financial viability: SWS is confident that the measures are financially viable. Having purchased Woodmill Activity Centre, SWS is committed to delivery of the measures discussed.
- Delivery of measures: SWS is committed to the delivery of the measures, managed by an in-house team supported by external experts on the design, implementation, management and monitoring as required.
- Distance from the SAC: The proposals are for enhancements immediately adjacent to, but downstream of, the River Itchen SAC and hence will benefit all salmon returning to the River Itchen (this is not within the impacted reaches / ZoI).

- Time to become effective: Restriction of angling and improved fish passage will be effective compensation almost as soon as they are implemented. Habitat enhancements in/around Woodmill Salmon Pool may take longer to establish given the time for trees to grow and for refuge areas to be established.

Overall SWS is responsible for delivery of the measures and is committed to making rapid progress on these proposals for compensatory measures that will be significantly beneficial to the River Itchen salmon population and off-set the residual potential effects of the Testwood Stage 0.1 Drought Order.

The points below have been addressed above to the extent possible, and further details will be addressed in the feasibility and design stage, and the implementation programme in collaboration with Southampton City Council, the EA and Natural England.

- the objectives, target features (the affected habitats and species) and the ecological processes and functions to be compensated
- the precise extent of the compensatory measures - for example, surface areas, population numbers
- the precise location of compensation areas - include maps, and digitised data provided as an ESRI Shapefile
- the current status and condition of the compensation areas – for example existing habitats and their status, type of land, existing land uses
- time schedule for implementing the compensatory measures (including their long-term implementation), indicating the expected results and when they will be achieved
- methods and techniques for implementing the compensatory measures, evaluation of their feasibility and expected effectiveness
- costs and financing of the compensatory measures, including their design, establishment, and maintenance for the necessary duration
- responsibilities for implementing the compensatory measures
- how the compensatory measures will be monitored and by whom, including timescales, and where necessary (for example, if there are uncertainties concerning the effectiveness of the measures) assessment of results and what you will do if the compensatory measures do not work as planned
- enforcement of the necessary compensatory measures if required - how they will enforce them, and who will enforce them

- the process that will be used to confirm that the measures have been successfully completed]

Provide copies of the advice you have received from Natural England or Natural Resources Wales relating to the proposed compensatory measures:

[attach copies when you submit this form]

Section 7: Further information considered relevant to this notification

Give any further details that you feel are relevant to this notice:

None

You must sign the declaration and send your completed derogation notice to the relevant postal or email address. Remember to attach all relevant supporting documents.

Declaration

In accordance with regulation 64(5) of the Conservation of Habitats and Species Regulations 2017 (as amended), we, Southern Water Services Limited, hereby notify the Secretary of State, as the appropriate authority under these Regulations, that we intend to authorise, undertake or give effect to the proposed plan or project described in this notice, notwithstanding a negative assessment of its implications for one or more European sites.

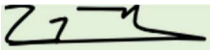
We will not authorise, undertake or give effect to the plan or project before the end of the period of 21 days beginning with the date you, as the appropriate authority, received this notification, unless you as the appropriate authority notify us that we may do so.

We note that, without prejudice to any other power, the Secretary of State may give directions to us as the competent authority or plan-making authority in any such case prohibiting the authorisation or undertaking of the project or the giving of effect to the plan, either indefinitely or during such a period as may be specified in the direction.

We would be grateful if you would acknowledge your receipt of this notification to the person named below.

We look forward to receiving the views or further instructions from the Secretary of State.

Approved by:



Name:

Tim McMahon

Position held: MD for Water

On behalf of:

Southern Water

Date this notice was sent to government department: 18th July 2025

[date on which this form is sent or emailed]

Name of contact person: Tim Taylor (Water resources Policy & Regulation Manager)

Contact address: tim.taylor@southernwater.co.uk

Contact telephone or email: tim.taylor@southernwater.co.uk