

Our operational performance

Our Water for Life Business Plan 2020–25 is broad and ambitious and includes 47 clear customer commitments. We are now at the start of a £3.7 billion investment to ensure we supply water and wastewater services responsibly and sustainably, while protecting the environment.

Our purpose is to provide water for life to:

- enhance health and wellbeing
- protect and improve the environment
- sustain the economy

Deliver great service

- DWI Compliance Risk Index (CRI) – Aim for a score of zero on this new measure of drinking water compliance risk.
- Drinking water appearance, taste and odour – Continue to reduce the number of customers needing to contact us about their water quality, be that appearance or taste and odour.
- Replace lead customer pipes – Provide customers in affected areas with grants towards the cost of replacing lead plumbing, reducing the risk from lead in drinking water.
- Water supply interruption – Continue to reduce the average time customers are without water with a reduction of 23% between 2020–21 and 2024–25.
- C-MeX – Improve both the overall customer experience and our handling of customer contacts.
- Void properties and gap sites – Reduce by more than 10% the number of unbilled, occupied households, reducing the burden of debt on our bill paying customers, as well as identifying any properties missing from our billing system.
- Internal sewer flooding – A 20% reduction in the number of internal sewer flooding incidents affecting customers’ homes between 2020 and 2025.
- External sewer flooding – A 20% reduction in sewer flooding affecting outside areas between 2020 and 2025.
- Customer satisfaction with vulnerability support – Satisfaction with the tailored support offered to customers in vulnerable circumstances, with the aim of a 90% satisfaction rate by 2025.
- Effectiveness of financial assistance – Aiming for 90% effectiveness of our financial assistance for customers, making their bills more affordable and helping them pay their bills.
- Priority services for customers in vulnerable circumstances – Increase the number of customers in vulnerable circumstances on our Priority Services Register.
- Value for money – Increasing, to 75% by 2025, the proportion of customers who believe we deliver services that represent value for money.
- Properties at risk of receiving low pressure – A 25% reduction in the number of households suffering from persistent water pressure problems, reducing the number to just 182 by 2025.

Underpinned by our values
 Our values form the foundation of our Code of Ethics and influence our decision-making.

- Succeeding together
- Doing the right thing
- Always improving



Use water wisely

Leakage – Reduce leakage by 15% over the five years from 2020 to 2025.

- Per capita consumption – Reduce personal water consumption by 7%, to 122.7 litres per person, per day by 2025.
- Target 100 – Reduce personal water consumption to 100 litres per person, per day by 2040, with 55% of households meeting this target by 2025.
- Water saved from water efficiency visits – Reduce household water use by increasing the number of free water efficiency visits conducted in customers' homes, saving 2,500 cubic metres a day by 2025.
- Access to daily water consumption data – Provide customers with easy access to data about how much water they use, helping them to make informed choices and reduce their bills.



Protect and improve the environment

- Pollution incidents – Reduce pollution incidents to less than 80 by 2025, aiming for zero pollution by 2040.
- Thanet sewers – Deliver the third phase of our groundwater protection sewer scheme for Thanet.
- Delivery of Water Industry National Environment Programme (WINEP) of requirements – Deliver more than £500 million of investment to improve the natural environment and ensure that water can be taken from groundwater sources, rivers and reservoirs without any negative impact via investigations and schemes within WINEP.
- River water quality – WINEP programmes to improve the health of 182 kilometres of rivers in our region.
- Maintain bathing waters at 'Excellent' – Maintain the current 'Excellent' water quality status at 57 beaches designated for swimming in our region, supporting the continued development of the leisure and tourism industries.
- Improve the number of bathing waters to at least 'Good' and improve the bathing waters at 'Excellent' quality – Improve bathing water quality, at five sites to 'Good' and at two sites to 'Excellent' water quality status by 2024.
- Treatment works compliance – Maintain and improve our wastewater treatment works, aiming for 100% compliance with Environment Agency standards.
- Combined Sewer Overflows (CSO) monitoring – Ensure we have effective and functioning monitoring equipment in place at all of our CSOs, helping to reduce sewer flooding and pollution incidents.
- Distribution input – Effective management of our water resources, in turn reducing the need to take water from the environment.
- Abstraction incentive mechanism – Reduce, by 15 MI/d, the amount of water we take from the River Itchen at Otterbourne and Twyford in September when river flows or levels are low.
- Effluent re-use – Develop effluent re-use solutions, reducing the demand for potable water and, in the long term, improving the resilience of drinking water supplies.
- Renewable generation – Generate 24% of our electricity from renewable sources by 2025.
- Natural capital – Better understand the current condition of the environment that we own, or can influence, and the impact of our work, producing natural capital accounts for three catchments by 2025.
- Satisfactory bioresources recycling – Ensure correct use and disposal of sludge created from the wastewater treatment process, ensuring that 100% of biosolids we recycle to agricultural land are compliant with guidelines.

Key performance indicators

The key measurements and targets behind each of the Operational Delivery Incentives and Performance Commitments will be discussed in the relevant operational performance section.

➔ Read more on pages 80 to 99

Our operational performance continued

→ Read more about how we are getting Fit for the Future on pages 96 to 99

Underpinned by our values

Our values form the foundation of our Code of Ethics and influence our decision-making.

Succeeding together

Doing the right thing

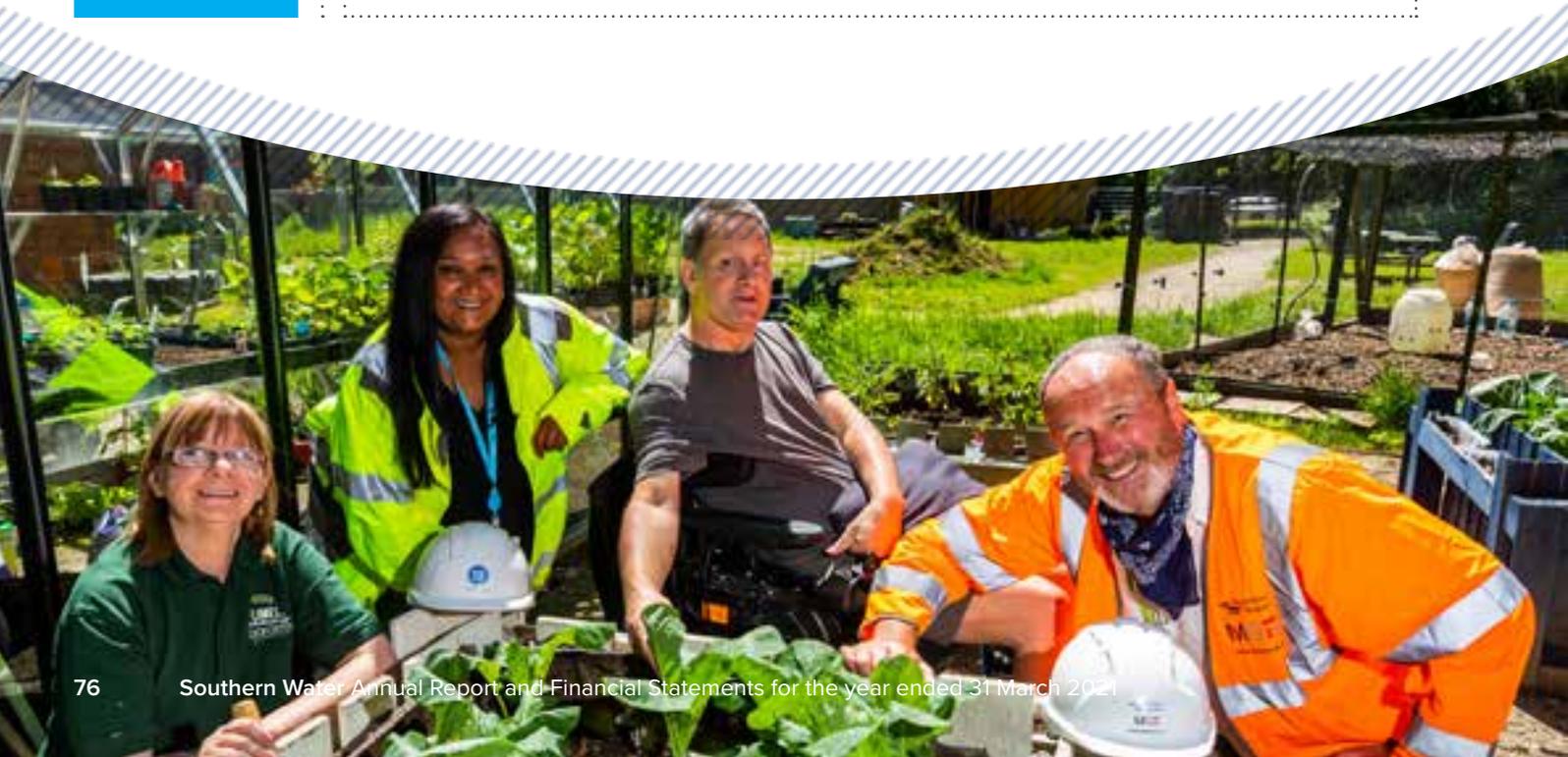
Always improving



Fit for the future

Mains repairs and unplanned outage – Maintain and improve the health of our water treatment sites and network, reducing the number of mains bursts by 30% over five years and the proportion of treatment capacity out of service to 3.25%.

- Risk of sewer flooding in a storm – Improve our understanding of flood risk and ensure the proportion of customers at risk of flooding in a severe storm does not increase.
- Sewer collapses – Maintain and improve the health of our wastewater network, reducing the number of asset failures.
- Water supply resilience – Through our Network 2030 initiative, reduce the risk of customers experiencing loss of supply for more than 48 hours in the Thanet, Brighton and Isle of Wight water supply zones.
- Long-term supply and demand schemes – Ensure future customers have access to sufficient water supplies, by making progress toward delivering an additional 182.5 Ml/d of new water resource capacity.
- Risk of severe restrictions in a drought – Maintain our performance of no customers being at risk of severe water restrictions in a drought.
- Impounding reservoirs – Deliver our agreed reservoir safety schemes, reducing the risk of failures.
- D-MeX – Improve the experience we provide to developers (new connections) customers, including property developers, self-lay providers and those with new appointments and variations (NAVs).
- Surface water management – Use Sustainable Urban Drainage (SUDs) approaches to reduce the amount of surface water in our network, reducing the risk of pollution incidents and sewer flooding.
- Community engagement – Improve our community engagement, as measured by external benchmarks and reflecting an ongoing commitment to working with charities, community groups and partners.
- Schools visited and engagement with children – Increase the amount of good or excellent feedback from schools we visit to raise awareness and improve understanding of the value of water, water efficiency and ‘unflushables’. Targeting 90% positive feedback.



COVID-19 and its impact on our performance

The COVID-19 pandemic has brought with it a great amount of uncertainty. However Southern Water's role as a provider of essential water and wastewater services has not changed. What has become apparent is our need to be responsive and agile in our plans to protect public health as the pandemic has developed.

Ensuring safe working practices for colleagues and customers, and adequate supplies of chemicals and personal protective equipment were a priority as the pandemic surfaced in March 2020. As the months went on, we experienced a significant shift in demand for water, an increase in levels of bad debt and a huge shift in customers' perceptions of us as an essential service provider.

A number of our performance measures have been directly affected by the effects of COVID-19, and they are highlighted in the following operational performance tables and supporting commentary.

➔ Read more on page 15

Remuneration and performance

Our remuneration policy outlines how executive pay is linked to overall and individual performance, and how annual bonuses are based on targets relating to customers, stakeholders and communities. Our Remuneration Committee closely monitors the policy and executive pay. We publish this policy annually, with an explanation of its application at southernwater.co.uk/our-performance/reports/annual-reporting.

➔ Read more on pages 194 to 211

0 Employees furloughed during the COVID-19 pandemic



Case Study

Driving innovation and fostering partnerships

During this five-year period, our organisation is investing £3.7 billion across the region.

c.£12m
cost efficiencies
achieved

2–3
pollutions a
week prevented

Working with our partners in the community, this will create jobs and benefit the local environment. It will ensure the resilience of our water and wastewater networks.

In 2020–21, bluewave, Southern Water's in-house innovation and Research & Development team, worked on a wide range of problems within the business. These covered various stages of maturity from insight to scaling solutions into the wider business, with an emphasis on co-creation and collaborating across directorates. Despite the impacts of COVID-19, bluewave has enabled c.£12 million in efficiencies during this time.

The team has been a positive agent for change and pace in ongoing strategic programmes. These have included impactful trials of sustainable passive solutions for wastewater treatment, enabling lower carbon footprints and better outcomes for the environment. Elsewhere, bluewave has been at the heart of delivering new sewer level monitoring technology trials to help prevent flooding incidents and redesigned our customer bills to make them easier to understand. bluewave has also helped to rapidly develop and test data-led proactive maintenance improvements with an agile team working to deliver real impact visible from the start, to date preventing two to three potential pollutions per week.

Outside of the business, bluewave was central in shaping the Water 2050 sector innovation strategy with 18 other UK water companies. This activity sought to reimagine and reinvent a more sustainable, open, innovative vision for the water industry.

The team has also been an active conduit for the business in accessing the £200 million Ofwat Innovation Fund. It made collaborative bids for funding in the initial competition, supporting innovative programmes to drive improvements across our business for our customers and colleagues in the coming year and beyond.

David Lloyd
Innovation Lead



→ Read more on
innovation and
technology on
page 29

Case Study

Showing customers how their choices affect the environment

Products like wipes, period products and cotton buds often contain single-use plastic.

If customers flush them down the toilet, they can cause blockages that can flood homes, riverbanks and coastlines with pollution.

During the pandemic more people have been buying – and flushing – things like wipes and absorbent tissues, leading to concerns about a rise in blockages. We wanted to raise customers' awareness about how the products they purchase and the way they dispose of them can affect our sewers and the environment. To achieve this, we embarked on two targeted awareness campaigns.

We identified blockage hotspots around Brighton, East Sussex and Chatham, Kent and used insights to develop targeted messages to match the life stage and living situation of local residents. We sent leaflets to over 100,000 homes which included practical tips about what can safely be disposed of down the drain. In areas with lots of young families, we enclosed a free pack of reusable bamboo wipes. The leaflets were reinforced through targeted radio and digital adverts. Overall, the campaign reached over 130,855 customers. In a follow-up survey, 52% said it had encouraged them to think about what they flush.

In November 2020, we launched our partnership with the charity, City to Sea, to support its Rethink Periods campaign. This free teacher training programme equips PSHE teachers and school nurses to deliver up-to-date education about periods, including the negative impact flushing period products can have on our sewers and the environment.

Schools receive lesson plans for key stage two and three, along with a product demonstration box packed with eco- and health-friendly period products to use in class and bring the lessons to life. Over 100 schools signed up in the first four months of our partnership and sessions have been underway since February 2021 – taking place online until COVID-19 restrictions allow them to continue in the classroom.

Together, these campaigns are helping people at different stages of life understand the impact of the products they use and the way they dispose of them.

Elvira Gabos
FOG and Unflushables Manager



130k+

Customers reached in recent unflushables campaign

52%

Now think differently about what they flush

➔ Read more on how we manage pollutions on page 27

➔ Read more on sewer flooding prevention on page 83

Our operational performance continued

Deliver great service

Great service for most customers means minimal interaction with us and a reduced impact from issues or disruptions in everyday life. Where there is engagement, customers want an efficient, tailored and personalised service that provides assistance to those customers who are in genuine need of support.

Link to risks

- Water
- Wastewater
- Customer
- See Principal Risks on pages 125 to 139

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Water quality	It is essential to always provide clean safe drinking water. This is seen as a basic service from a water company and the most important of the services we provide. Our customers' preference is for water to be as natural as possible.	DWI Compliance Risk Index (CRI)	—	Indirect
		Drinking water appearance	—	
		Drinking water taste and odour	—	
		Replace lead customer pipes	—	
Supply interruption	Customers want us to be able to deal with problems, such as interruptions, quickly and efficiently. Any interruptions require clear communication, as they can cause inconvenience and distress to customers.	Water supply interruption	⊙	Indirect
Customer experience	Customers want to see us improve our customer service performance. They want us to minimise the impact of issues and disruptions to their daily life. When shown comparative information, they expect us to do better.	C-MeX	—	Direct
		Void properties	—	
		Gap sites	—	
Sewer flooding prevention	It is essential that our network stops homes being flooded with waste from sewers. There is strong support to ensure we continue to improve sewer flooding prevention.	Internal sewer flooding	—	Indirect
		External sewer flooding	✓	
Water pressure	Customers expect a standard of water pressure to be part of the basic service we provide.	Properties at risk of receiving low pressure	⊙	Indirect

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Supporting the vulnerable	Customers find the concept of the social tariff acceptable. They want us to protect the most vulnerable in society, and find it acceptable to pay a little extra on their bill to help those in genuine need. They want us to partner and provide support by understanding and acting on customers' individual circumstances.	Customer satisfaction with vulnerability support		Indirect
		Effectiveness of financial assistance		
		Priority services for customers in vulnerable circumstances		
		Value for money		

We are focused on delivering great service to our 4.7 million customers, the 5.2 million who visit our region and the 400,000 businesses and their employees that are based in the South East. Customer satisfaction with that service is measured through the Customer Measure of Experience (C-MeX) and the Developer Measure of Experience (D-MeX), collated by our regulator, Ofwat.

Providing our services to customers has presented some challenges during the COVID-19 pandemic, but we have made it a priority to offer every customer, whatever their situation, access to our services when they have needed them most. We increased the number of vulnerable customers on our Priority Services Register (PSR) and provided financial assistance and other support to these customers. We introduced payment breaks as an option for all and have proactively supported these customers to review their changing circumstances. We have also improved how customers were able to access our services digitally. Although the number of customer complaints has reduced within our Billing and Water teams, we have seen an increase in wastewater complaints largely due to blockages and sewer flooding.

We continue to work with our customers to reduce blockages in pipes which can affect the flow of wastewater through our sewers. We know that sewer flooding incidents can be very upsetting, so we try to minimise blockages caused by fat, oil and grease (FOG) or flushing the wrong items away, by running campaigns.

We want our customers to feel that they receive value for money when they access our water services. The water quality Compliance Risk Index monitors water quality, helping us to make sure that our drinking water stays clean and safe. Moving forwards, we want all our customers to find us easy to deal with. We want them to be able to contact us using a channel of their choice, while experiencing a consistent, supportive and inclusive service.

Key:

- Ofwat target met or exceeded
- Ofwat target missed but performance improved in relation to prior year outcome
- Ofwat target missed and performance worse than prior year outcome.

Our operational performance continued

Deliver great service continued

Water quality

The water reaching customers' taps continues to meet the Drinking Water Inspectorate's (DWI) stringent water quality tests, with 99.97% of samples meeting all the necessary standards.

We monitor water quality at treatment works, treated water storage facilities and customers' taps. The Compliance Risk Index (CRI) was introduced by the DWI to apply from 2020 onwards. CRI is weighted by population to better highlight risks to customers from treated water that fails to comply with the required standards. Of the 248,000 water quality compliance samples taken during 2020, 36 were found to not meet the required standards. Many of these failures were due to the customer's plumbing and we were able to give the appropriate advice to resolve the issue.

We had to make significant changes to our sampling programme to accommodate social distancing due to COVID-19; however, less than 0.01% of all the programmed samples were not able to be taken during the year. Our expected year-end CRI score of 4.53 is better than in 2019, however it is not as low as we would like it to be and we know we still have work to do to improve our performance in this area. We incurred a penalty of £1.591 million, reflecting our score.

We know that how our drinking water looks, tastes and smells, as well as how clean and safe it is, is very important to our customers. A specialist panel carries out quality control tests to measure the level of taste and odour and we provide information on our website about why there may be changes to the taste, smell or appearance of tap water.

The appearance (formerly discolouration), taste and odour of drinking water is measured by how many people contact us about it per thousand people. We unfortunately exceeded our 2020 targets for both measures with a score of 0.89 for appearance, and 0.26 for taste and odour. Accordingly, we have incurred penalties of £277,000 and £92,000 respectively. We have set a planned reduction for each metric of 0.46 from 0.93 and 0.21 from 0.26 respectively.

The replacement of lead customer pipes only applies in the Deal (Kent) water supply zone, where a co-delivery trial is being conducted, offering grants to affected customers (43 households will be awarded per year). The scheme is currently on hold until years two to five of this five-year period.

Supply interruption

Water supply interruption measures how much time a customer is left without water when there is an unplanned interruption, such as a burst water main. Over the past year, we experienced the highest number of bursts since 2015 and two significant events, on the Isle of Wight and in Hastings. In general, February also saw a high level of bursts due to the cold weather. Despite the best efforts of our operational teams, we achieved an average of 12.43 minutes with our target for this year at 6.30 minutes. Subsequently, we have received a penalty of £1.517 million.

Customer experience

The start of 2020–21 was dominated by our need to maintain our customer services during the COVID-19 pandemic. This tested our Business Continuity planning to the full, but we maintained access for all our customers who needed support whether that was over the phone or via our digital services.

Our performance against Ofwat's Customer Measure of Experience (C-MeX) for the year saw us finish 16th out of 17 companies, incurring a penalty of £4.772 million. While many of the changes delivered by our customer service improvement programme, have not yet been realised in our overall scores, we are confident that the steps taken so far will have a positive impact as we progress through this five-year period.

C-MeX sees each company's score calculated from responses to two surveys, the customer service survey (CSS) and the customer experience survey (CES), each contributing 50% to the calculation of the overall C-MeX score for each company.

We continue to track underlying performance metrics such as first contact resolution and increasing digital self-serve journeys, which indicate we are on the right track to achieve a forecasted C-MeX improvement over the current five-year period. Billing calls have reduced by 21% year on year as a result of proactive work with high usage customers and a focus on collections activity. Digital transactions have increased 47% compared to the same period last year as a result of improvements made to our 'Your Account' self-serve portal.

Year on year, our complaint volumes are higher. The key drivers of complaints have been consistent over the past five years, with increases seen in operational complaints around ownership and resolution. Despite reductions in Billing and Water complaints, the volume of written complaints received in 2020–21 was 5,934, which is higher than the previous year due to an increase in wastewater complaints.

With COVID-19 impacting in-person visits, we were unable to meet our void properties target of 2.78% (percentage of properties in our area that are void). We have run letter campaigns and continue to source occupier details through third-party partners. We achieved 3.47%, incurring the maximum penalty at £600,000.

The processes for Gap Sites were restricted to those areas covered by South East Water and operated under our associated Joint Billing Contract. This meant we identified 12 gap sites, which were brought onto charge for wastewater services. Our target was 65.

We will continue to focus on the identification of gap sites through the Joint Billing contract with South East Water. Outside of this we will be exploring the creation of our own processes to capture gap site information within our supply area, as well as neighbouring water company areas where we deliver wastewater services.

Sewer flooding prevention

Each flooding incident is hugely distressing for our customers. As such, preventing flooding from our sewers is one of our highest priorities.

In our business plan we set challenging targets to reduce the number of internal and external sewer flooding incidents year on year. Our target for internal flooding incidents for this year was 341, however, due to a peak in incidents in October we ended the year with a total of 393.

In terms of external sewer flooding, our increasing resilience is enabling us to perform better during extreme weather events, when flooding can be a risk to some properties. This year, we reported 4,409 external sewer flooding incidents against a target of 4,412. Ofwat rewarded £14,000 to us for successfully meeting our target.

Blockages continue to be a major factor, restricting the flow of water in our sewer. This is why we continued our fat, oil and grease (FOG) and Unflushables campaigns during the year, educating customers about what to flush down the toilet and pour down the sink.

Factors beyond our control, such as weather events, will always put pressure on our sewer networks. Our Zero Flooding project, which began in 2017, is aiming to eliminate sewer flooding incidents in key hotspots across our region, while our Pollution and Flooding Resilience team is focused on delivering best practice reduction programmes and continuously improving our incident response across our network.

Supporting the vulnerable

Much of our Customer Service activity over the past year has inevitably been shaped by the COVID-19 pandemic. Our immediate focus in March 2020 was to ensure that our vulnerable customers were getting the support they needed, and that we were providing as much assistance as possible to those who were impacted by the virus. As a result, we introduced a number of immediate measures, which included:

- payment breaks of up to three months for those in financial difficulty as a result of the impact of COVID-19. In total we offered around 8,500 customers a payment break
- automated renewals for those already on a scheme or tariff
- simplified application processes for our support tariffs to reduce the burden on customers
- a change to our policy in relation to priority services registration to allow referrals from relatives and trusted third parties
- increasing the income threshold for our Essentials social tariff from £16,105 to £21,000 in November 2020.

Our operational performance continued

Deliver great service continued

We will be surveying our vulnerable customers every year until 2025, to make sure that the non-financial support we provide is of a high standard. The first survey of its kind took place at the end of 2020. The survey told us that 81% of our vulnerable customers are satisfied with the overall services provided by Southern Water, with 70% being satisfied with the particular services we offer to help them. The results also showed that 79% are satisfied that information provided is clear and easy to understand and 64% were satisfied with the accessibility of services.

We have studied the results carefully to identify where improvements can be made to the services we provide to our vulnerable customers.

Our financial assistance packages help our vulnerable customers to maintain their water payment plans for as long as possible every year. This is the first year that our performance in this area has been covered by a new measure, which has shown that 65% of those we assisted were able to afford their water bill for 10 months out of a 12-month period or paid 80% of the amount owed within a 12-month period. This fell slightly short of our target of 70% of those we assisted.

In order to improve our performance in this area, we will be undertaking some analysis of the data for the first year of reporting, while working with our Debt Collection Agencies to develop more sustainable payment plans.

We focused on contacting those customers who we knew may be impacted by the restrictions on daily life that arose from the lockdown measures, for example those making cash or card payments, to let them know of the help they could access if they were struggling.

We also made contact with our Priority Services customers to tell them about the additional support available, but more importantly to 'check-in' and see if there was any further help we could offer. We attempted to contact 51.8%, and we actually spoke to 19.8%. This included an email campaign to encourage anyone who required a little bit of extra assistance to get in touch and sign up to our register. As a consequence we received approximately 15,681 new registrations, an increase of 80% since March 2020. This represents 1.9% of the households we supply with water or wastewater services, which is below our target of 2%.

Community engagement has been key to assisting vulnerable customers. We joined a UK Power Networks-led consortium to provide funding to Community Foundations in our area, enabling us to make a contribution of £25,000. We also worked in partnership with Job Centres in some of our most deprived areas and with the Home and Well project, which supports patients being discharged from hospital.

It is important that our customers feel that they are getting value for money when they pay their water bill. We measure customer satisfaction regarding the cost of their water and wastewater services in an annual survey. We aim to reach a level of satisfaction of at least 75%, however in our last survey we scored 71%.

We are working to keep bills as affordable as possible, by becoming a more efficient business to keep costs down, and supporting those that need the most help. By 2025, we will have reduced average bills by more than 18% in real terms, compared with 2020.

Water pressure

We are working proactively to reduce the risk of properties receiving low pressure. Although we have had a challenging year due to failures at some of our supply works, we have had some big successes with implementing changes to our network, which have benefited some of our Hove customers. We are also fitting a booster on a new main in Hampshire to solve low pressure issues for some of our customers there, which will also help to provide network resilience for any proposed future development.

Despite improvements, we added more properties to our 'at risk' register and the number of properties in this category at the end of the year was 310. This means that we did not reach our target, resulting in a penalty of £118,000.

Looking ahead

- To improve our CRI performance, we will continue our Hazard Reviews as part of our Water First initiative, investing in site improvement and continuing to improve our people and process capability.
- By 2025 we have set a target level of 4.6 contacts per thousand people regarding the taste, odour and appearance of our drinking water.
- We plan to improve our incident response information on our website during 2021–22 to reduce the amount of time customers are without water in the event of an operation incident, in addition to adding functionality to make it easier for customers to report incidents and bursts online.
- We are investing in a new complaints system which will not only improve our handling of customer complaints, but will also support more detailed root cause analysis.
- There is a plan underway to remove properties at risk of receiving low pressure from the register in five areas across West, Central and East operational areas.



Our operational performance continued

Use water wisely

The work that goes on behind the scenes to deliver drinking water and remove wastewater can sometimes be taken for granted. When informed, customers recognise the value these services bring to our daily lives, enabling everything that we do. They also understand water is a precious resource that needs to be looked after.

Link to risks

- Water
- Customer
- See Principal Risks on pages 125 to 139

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Leakage	Customers say it is essential to reduce the amount of water lost through leaks from our network. They believe water is a precious, natural resource and expect us to look after and use it wisely.	Leakage		Indirect
Water consumption	Customers were interested in understanding more about their water usage. They see saving water as a partnership issue and are looking for us to help them save more.	Per capita consumption		Indirect
		Target 100		
		Water saved from water efficiency visits		
		Access to daily water consumption data		

Changes in the climate, our population size and other factors mean that we must plan ahead to avoid water shortages. How we use our water, and our ability to reduce how much we use, will be vital to making sure that we have enough water. This is true for us as a water company, as it is for our individual customers. Using water wisely is therefore a key focus for our forward planning as well as our day-to-day work.

Until last year, we had seen water use fall by 16% over the previous seven years. With people spending more time in their homes in 2020–21 due to the COVID-19 pandemic, household water usage has increased. The number of customers using less than 100 litres of water per day has decreased and the average amount of water each one uses has increased by 7%.

Changes in the way our customers have been using water during the COVID-19 pandemic have had an effect on the amount of water we need to put into supply. Increased customer usage, rather than leakage, has been found to be the main reason for the increase in the amount we need to put into supply, so our leakage levels have been recalculated to reflect this finding.

Reducing the water we waste through leakage

Reducing leaks helps us to keep more water in the water supply and means we need to take less water from the region's rivers and underground aquifers. Our long-term targets aim for a consistent reduction in the number of litres of water lost through leaks, until this is reduced by half by 2050. Our target is to keep our leakage down to a maximum of 97 MI/d as a three-year rolling average. During 2020–21, we achieved 98.5 MI/d (2019–20: 99.5 MI/d), which means our three-year rolling average is just over our target.

To help us meet our long-term ambition to halve leakage by 2050, we have been investing in new technology. This is helping us to further reduce leakage levels, such as the roll out of advanced pressure management and acoustic logging sensors. These sensors can quickly detect possible leaks, enabling us to send our find-and-fix teams out quickly. During 2020–21, we installed 7,400 acoustic loggers on our network, increased the number of find-and-fix teams on the ground and we have completed 20,000 leak repairs.

Helping our customers reduce their daily water use

The amount of water being used by our domestic household customers has significantly increased during the COVID-19 pandemic, with more people working from and spending time at home; individual daily water use is now at 137.6 litres per day. This increase presents us with a significant challenge not only in terms of our performance over the past year, but for the rest of this five-year period. We continue to work with Ofwat and the rest of the industry to understand the longer term effects on customer usage. The increase we have seen is not unique to our region, however as an area of water scarcity we need to work with our customers to try and drive down consumption in order to meet our target of 128.1 litres per person, per day by 2025 (this is a three-year rolling average).

The impact on our customers' water usage would have been even greater, had it not been for our history of proactive water efficiency engagement with customers. This includes working with the community to promote water reduction through our Target 100 campaign, which focuses on a mix of incentives, behaviour change communications

and water-saving home visits where our engineers fit free water-efficient products.

Our Target 100 campaign forms a commitment to our customers that we will support them to reduce personal water use to an average of 100 litres per day by 2040.

Our customers have told us that they value assistance using water more wisely and saving money, and our water-saving home visits give us an opportunity to focus on this part of the customer experience. The COVID-19 pandemic has meant that we were not able to make the usual visits during periods of lockdown. The number of visits has therefore significantly reduced over the past year and we did not meet our target. To address this, we have now launched virtual water-saving visits via our new online water calculator, Get Water Fit, which can be found at southernwater.co.uk/help-advice/getwaterfit-your-water-saving-calculator.

While reducing consumption remains a priority, a strategic decision was made to place our enabling access to daily water consumption data on hold and focus on other challenges. This is now under review to understand how we can progress this.

Looking ahead

- Our leakage performance is expected to improve as we continue the roll out of our Advanced Pressure Management system, which should be fully enabled by mid-year 2021–22. Our long-term plans are to reduce leakage by 15% by 2025 and 50% by 2050.
- Water efficiency remains a priority, to avoid water shortages from climate change and increased population size. We will continue to work with customers and champion programmes such as Target 100. We aim to help our customers consistently reduce the amount of water they use, helping them to save money and reduce the pressure on the environment.
- As part of this work we are working on how we can provide accurate daily information about water usage and hope to be able to announce a scheme in 2021–22.
- We will continue our home visit programme helping customers to save water, energy and money.

Key:



Ofwat target met or exceeded



Ofwat target missed but performance improved in relation to prior year outcome



Ofwat target missed and performance worse than prior year outcome.

Our operational performance continued

Protect and Improve the Environment

We are all responsible for the state of the environment. Customers want to see us protect and improve the environment; doing no harm is the absolute minimum they expect.

Link to risks <ul style="list-style-type: none"> • Climate Change • Compliance • See Principal Risks on pages 125 to 139 	Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
	Pollution	Customers want us to treat and dispose of wastewater in a way that does not harm the environment. They believe we have a duty to protect and improve the environment in which we operate, and ensuring we do no harm through pollution incidents is the minimum they expect.	Pollution incidents Thanet sewers	 	Indirect
	High quality bathing and river waters	Our customers want to see us do more to deliver excellent bathing and river water quality. They want us to recognise the importance of this to tourism.	Delivery of water industry national environment programme requirements* River water quality Maintain bathing waters at 'Excellent'** Improve the number of bathing waters to at least 'Good' Improve the bathing waters at 'Excellent' quality Treatment works compliance*** Combined Sewer Overflows (CSO) monitoring****	      	Direct and indirect

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Water resource abstraction	Customers want us to use a range of sources to provide reliable services in the future and expect removal of water from the environment to be done in a sustainable way	Distribution input		Indirect
		Abstraction incentive mechanism		
		Effluent re-use		
Renewables	We should be increasing the amount of renewable energy we use in our operations. There is a growing expectation that we should be using our own wastewater services to generate more energy as well.	Renewable generation		Indirect
		Natural capital		
		Satisfactory bio-resources recycling		

* Year one scheme deadlines have been moved into year two due to COVID-19 so there are no year 1 AMP7 deliveries with a deadline this year. Some Year 5 2015–20 deliveries were moved into this year. Based on information from the Environment Agency, we have 42 schemes to deliver, but unfortunately have missed one.

** We are unable to report performance against our performance commitment to maintain the number of bathing waters at Excellent water quality status. This is because the Environment Agency, which is responsible for sampling bathing waters, was unable to carry out the normal pre-season testing which is required to produce reliable bathing water statistics. As a result, no bathing waters results were available for the 2020 bathing water season. We report performance in this case as n/a."

*** This is a calendar year based measure. While the number of monthly sample breaches and exceptions has reduced, and we continue to make compliance a priority, the underlying risk remains high and we are forecasting a penalty in this area.

**** Whilst in the PR19 final determinations outcomes performance commitment appendix this measure is listed as financial year, this metric is reported against the calendar year in line with information provided to the Environment Agency as part of spills reporting. The outcome of this performance commitment is unchanged by the amendment. This change is to ensure we are providing consistent information to both regulators and an annex 2 change request has been raised with Ofwat accordingly.

Key:



Ofwat target met or exceeded



Ofwat target missed but performance improved in relation to prior year outcome



Ofwat target missed and performance worse than prior year outcome.

Our operational performance continued

Protect and Improve the Environment continued

Pollution

Reducing pollution incidents is key to keeping our rivers, reservoirs and bathing waters clean and healthy. While we continue our work to monitor CSOs and ensure that our treatment works meet the standards set by the Environment Agency, we have put in place two programmes to provide better information to our customers. The Beachbuoy platform offers online updates about any screened wastewater releases into the environment, which are sometimes necessary to prevent flooding during storms. While our Beauty of the Beach campaign celebrates our coastline and the beautiful bathing waters, encouraging customers to play their part in keeping them clean.

All water companies must monitor and report the number of pollution incidents and our annual pollution figures are published on our website, showing which category of incident has occurred. Our total number of reportable incidents for the year was 400, which was higher than we had predicted due to an extended period of wet weather in February. Our target was 24.51 incidents per 10,000 km of sewer which translates into 98 actual incidents. As a result of missing our target, we received the maximum penalty of £7.718 million. We forecast that we will remain in the penalty space for the remainder of this five-year period, although we continue to work hard to improve our performance.



However, our 2021 figures have shown some significant improvements, reflecting advances in our incident management processes as well as self-reporting. Our self-reporting culture has been a significant factor in the increase in pollution incidents reported at pumping stations and wastewater treatment works. The improvements made at the beginning of 2021, resulted in 17 incidents in February 2021, compared to 58 in February 2020.

We have now published a detailed Pollution Incident Reduction Plan (PIRP), which we have shared with the Environment Agency (southernwater.co.uk/media/3839/pirp-final-20200904.pdf). The plan is based on extensive data analysis and industry best practice, with its primary focus being on wastewater pumping stations and wastewater treatment works, where we have seen the largest increase in pollutions since 2018.

The Thanet Sewers enhancement scheme aims to reduce leakage from sewers located within tunnels in Thanet by 31 March 2025. Pollution incidents happen when the diluted storm flows have exceeded the capacity of the network and entered into the chalk tunnels. The scheme is currently in the development phase of the design programme, so there is no delay to report.

High river water quality and excellent bathing waters

The Water Industry National Environment Programme (WINEP) is an Environment Agency programme which requires all water companies in England to complete a set of actions between 2020 and 2025. Our performance in this area is assessed on an annual basis.

Due to social distancing requirements during the first lockdown, all schemes for this year were postponed by the Environment Agency to year two of the current five-year period so there were no schemes active in this first year.

However, some of the delayed schemes from the 2015–20 period have been rescheduled, including some eel schemes. The eel schemes are essential to protect eel colonies found at our water treatment plants. Out of the 39 schemes we were required to deliver on this year, we missed five (four eel schemes and one water).

In terms of drinking water catchment management, we have the highest number of Safeguard Zones (SGZs) in the country, which need constant investigation and mitigation. Over the next four years we are investigating the potential risk of nitrate to our drinking water supplies at 22 water supply works (WSWs) and implementing catchment management mitigation to address nitrate and pesticides at 46 WSWs. Any mitigation work is co-developed with our catchment stakeholders and rolled out in priority areas.

The Catchment Risk Management team is also investigating the impacts of our removal of water from the environment at 72 WSWs, with a view to developing a more sustainable approach.

Our river water quality metric will be measured from 2021–22, and we aim to have improved a cumulative length of 182.3 kilometres of river by the end of the current five-year period.

There are 83 bathing waters in our operating area. The categorisation for 2019–20 confirmed 58 bathing waters as ‘Excellent’, 21 as ‘Good’ and four called ‘Sufficient’ and none in the ‘Poor’ category. There are no classifications being published for 2020 as a result of the impacts of COVID-19 so we have reported that this metric is not applicable, in line with our peers.

The categorisation of 58 as ‘Excellent’ relates to Defra’s four-year cycle of categorisation. Based on 2019 data, 62 bathing waters would have been classed as ‘Excellent’. During the COVID-19 pandemic, the usual amount of testing by the Environment Agency could not be carried out to categorise bathing waters.

Starting next year, our continuing Bathing Water Enhancement Programme (BWEP) aims to improve bathing water quality still further. The programme relies on investigation data, which has been delayed due to the pandemic. So as not to lose time, improvements under this programme will be planned in advance of receiving the complete set of investigation data.

Our Beauty of the Beach campaign continues to celebrate our beautiful bathing waters. It was developed with the Environment Agency and involves local councils and wildlife and community groups, helping to protect the quality of our bathing waters. We will be running it again through the 2021–22 bathing water season.

We aim for 100% compliance at our wastewater treatment works. Unfortunately, we achieved 97.06% compliance during 2020–21 as a result of 10 failed works. For example, we experienced some solids management issues at our Horsham site. Our ‘intensive care’ processes are being reviewed to enhance the management of these sites. As a result of missing our target, we received a penalty of £19 million.

We currently have monitors installed at 938 of our 967 storm overflows, giving us 84.77% coverage, which means we did not meet our target of 95%. We do not expect to drop below target over the rest of the five-year period, however, our challenge is now to ensure all monitors remain fully functional.

The amount of water we take from the environment and put into supply

We measure the amount of clean drinking water available in our water system in millions of litres per day (MI/d). The amount of water our individual customers use and the number of leaks from pipes affect the amount of water required in the system.

Over the past year, we have not met our target of 525 MI/d, reaching an average score of 563 MI/d. This has been impacted by the increase in customer usage of water in households during the pandemic. The weather also had a significant impact. In February 2021, we had extremely cold temperatures which quickly froze and then thawed pipes, creating some bursts and leaks. As the weather warmed up in March, people started doing more activities outside and used more water for this.

Our operational performance continued

Protect and Improve the Environment continued

In terms of the amount of water we take from the environment (abstraction) we are set strict monthly targets by our regulators. This metric focuses on the River Itchen, and the trigger point is in September as this is when impacts of this environment are most severe due to hot weather. The September abstraction limit is 2,280 Ml; our target is to outperform this by 15 Ml/d, which we achieved.

Effluent re-use is the volume of treated effluent in cubic metres (m³) made available annually for direct re-use by customers. Reusing effluent helps improve the security of water supply for customers through reducing the demand for fresh water and improving the overall supply/demand balance of the company. This is a reward based metric with an annual target of 0 for each year. In 2020–21, 273 m³ was made available for reuse with a reward rate of £3.29 per m³.

Renewable energy generation

We have joined our peers in committing to Water UK's pledge to become carbon neutral by 2030, reaching net zero. Working with them, we developed and launched a sector route map in November 2020. The implementation plan that followed was put in place by a cross-sector team and approved by the Board and is due to be published in July 2021.

To achieve net zero, water companies, regulators, government, stakeholders and our supply chain will all need to show joined-up thinking to reduce or offset our impact on the environment.

In support of realising net zero, we have confirmed that all of the energy that we buy will be 100% renewable energy from 2021–22 onwards, which will help to improve our carbon footprint.

By 2025, we aim to increase the amount of renewable electricity generated to 24% of our total electricity used. The target for the financial year is 21.2%, and we achieved 16.42%, falling short of where we wanted to be. We incurred a penalty of £1.326 million. Energy consumption has increased in recent years, and while energy efficiency work is ongoing to minimise the impact of this, the trend is expected to continue for the short term. Our task to achieve the 2025 target requires a variety of projects to be developed.

Solar power is key to our renewable energy generation. The Hardham Water Supply Works now has some solar capacity. Funding has also been approved to develop a 0.5MW roof top solar array at Peel Common, with the aim of having this installed within the 2021–22 financial year.

We are looking at desktop feasibility assessments regarding the suitability of using solar on more Southern Water sites, which could improve our renewable generation by up to 3%.

We have included commitments to adopt a natural capital approach in our Water for Life Business Plan 2020–25. We have a commitment to establish natural capital accounts alongside our traditional financial accounts in 2022–23, to enable us to measure and monitor a wider breadth of 'value added' as a result of investment and activity.

This means embedding natural capital approaches into our planning and processes, and exploring nature-based solutions to shared challenges through local partnerships. Our long-term ambition is to ensure our activities and investment enhance the resilience of our natural environment.

We achieved a 100% biosolid recycling record during 2020–21. Biosolids (a by-product of the treatment process) is recycled as a fertiliser. Although we have reported our performance to the Environment Agency, this metric remains suspended from the official environmental performance assessment for Southern Water.

➔ Read more about our **net zero plan** on page 72

➔ Read more about our **natural capital plans** on page 71

Looking ahead

- Our Pollution Incident Reduction Plan was originally published in 2020, and updated in May 2021. It sets out how we will achieve a maximum of 80 pollution incidents per year by 2025, and zero pollution incidents by 2040.
- We will begin the construction of the third and final phase of the Thanet sewers enhancement scheme, which is protecting the area from sewer flooding.
- As part of the WINEP requirements we will deliver one of our largest-ever environmental improvement programmes, improving the water quality in 537km of river.
- We have committed to reach net zero by 2030, and we will be purchasing 100% renewable energy from 2021–22 onwards, which will improve our carbon footprint.
- Our award-winning Beauty of the Beach campaign has been enhanced with the recent launch of the second version of Beachbuoy, an online service giving people real time information on bathing water quality.
- Planned Solar Farms in Otterbourne and Testwood will play an important role in helping us to reach our renewables target by producing electricity and we are planning to install new and efficient CHP engines this AMP, replacing the oldest nine CHP engines in our fleet.



Case Study

Improving our online service for customers

Our customers expect to be able to access our services on demand, from any smartphone, tablet or PC.

20k
reduction in
monthly calls

70%
of self-serve
transactions
completed
successfully

Yet at the start of 2020–21, only about 30% of our customer transactions were happening online.

We recognised that helping our customers do more online would be more convenient for them, which would be a driver for improving our customer satisfaction scores over time. Meanwhile, a reduction in calls would be more efficient for us. So we set up a project to improve the functionality, visibility and uptake of self-serve options on our website.

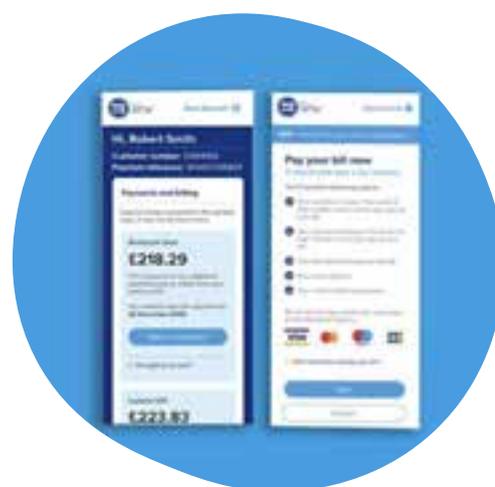
In a series of development sprints, we focused on the most popular customer transactions. We improved our online journeys for submitting a meter reading, paying a bill, managing a Direct Debit, moving home, viewing past bills and payments, changing a password – and more. In each case, our goal was to create an experience that allows customers to easily complete what they want to do online without having to pick up the phone.

In some cases, customers will need to talk to us or we will have to look more closely at an issue. So we explored how we could help, in the moment, by offering assistance online. We built prompts and triggers into the journeys so support is on-hand through Live Chat.

By February 2021, we saw a drop in the volume of calls by close to 20,000 a month. Meanwhile, 70% of self-serve transactions were successful and the number of digital-assisted contacts increased. Clearly, our improvements are reducing demand on our call centres while allowing our customers to interact with us in a way that suits their lifestyle.

Max Cappella
Customer Experience Manager

➔ Read more on customer experience on page 82





Our operational performance continued

Fit for the Future

Customers recognise the challenges we face and expect us to ensure that future generations have access to at least the same level of water services as we do today.

Link to risks

- Climate Change
- Transformation
- See Principal Risks on pages 125 to 139

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Asset health	It is essential to be investing in our sewer networks, pipes and drains. Our customers want us to upgrade where we can and use innovative and sustainable solutions.	Mains repairs		Indirect
		Unplanned outage		
		Risk of Sewer flooding		
		Sewer collapses		
Water resilience	Customers want to ensure supply for future generations. They are willing to invest now to ensure that there is no deterioration of services in the future.	Water supply resilience		No link
		Long-term supply demand schemes		
		Risk of severe restrictions in drought		
		Impounding reservoirs		
Growth	Businesses think it is important to work with councils and developers on infrastructure. Customers recognise the challenge of new homes drawing on our network and expect us to ensure it is fit for the future.	D-MeX		Direct
		Surface water management*		

Key outcomes	Why it is important	Associated ODI/PC	RAG status	Link to remuneration
Community engagement	Keen for us to focus on our role in the community, our customers want us to collaborate with local groups on important issues, support community outreach programmes and educate the next generation in schools.	Community engagement Schools visited and engagement with children	 	No link

* This programme is under review and we are forecasting a penalty.

Our role in preparing for future generations means that we must ensure a resilient water and wastewater network, using the highest standards of operational excellence. This involves making sure that we are compliant with regulations, reducing risk for customers and helping the environment. We know that water and wastewater services do not operate in isolation; they are interconnected with, for example, energy generation, food production, housing development, environmental protection, our tourism sector and other vital industries and services.

One of our five transformational programmes, Networks 2030, looks at our water supply networks and aims to modernise and rationalise them. This includes the replacement of water mains and the use of smart water-quality sensors.

The new D-MeX compliance score measures our customer experience for newly connected customers through our developer services.

Working with our communities is an important focus of our work. The restrictions in place during the COVID-19 pandemic led us to adapt how we worked with our communities, such as local schools, to ensure that we maintained consistent and effective engagement.

We are creating a Learning Network working in partnership with our supply chain and local councils to create the skills we need for a resilient future. We will also continue our actions to help create vital and valuable water tourism through high-quality bathing waters and healthy chalk rivers.

Key:



Ofwat target met or exceeded



Ofwat target missed but performance improved in relation to prior year outcome



Ofwat target missed and performance worse than prior year outcome.

Our operational performance continued

Fit for the Future continued

Asset health

We measure the number of mains repairs per thousand kilometres of our entire water main network. Our target was 129.1, but during the year we achieved 150. Extremely low temperatures experienced over the winter months are the primary reason for this. As a result of missing our target, we have incurred a penalty of £1.756 million.

Unplanned outages occur when emergency works at our treatment plants cause us to lose water in the system. We measure this in terms of the percentage of water lost from the total capacity of the system. We have done extensive work to better understand and improve the resilience of our water asset health and more than halved unplanned outage to 9.21%, from 18.59% in 2019–20 and below our regulatory target of 9.44%.

We measure the risk of sewer flooding in terms of the percentage of the region's population at risk from flooding from a one in 50-year storm, based on modelled predictions. During 2020–21 our target was to achieve 12.42%, which we met, achieving 11.68%.

We have three flood protection schemes planned to 2025, totalling more than £9 million. We will invest around £4.5 million to reduce the risk of shingle blocking at our Black Rock short sea outfall in Brighton and approximately £5.1 million to reinforce the seawall at Portobello Pumping Station Wastewater Pumping Station, also in Brighton. We are planning to partially fund the co-delivery of a scheme to increase the resilience of our outfall at Seaford, in East Sussex, in partnership with the Environment Agency and local council. This will reduce the risk from flooding and increase the resilience of Seaford against coastal erosion.

Sewer collapses can cause a significant impact on service to customers or the environment, often requiring repairs to be made in order to reinstate the expected service. Our year-end target for sewer collapses was 228 incidents. The target was not met, as there were 315 incidents, resulting in a penalty of £4.036 million.

Water resilience

A number of schemes which will help increase availability of water supplies in our region are currently in the design phase and due to begin during 2021–22. Three water recycling projects are planned in Aylesford, Sandown and Ford. Another option under consideration is a desalination scheme, as well as a number of strategic pipelines.

These will allow us to make use of these new sources in our Western Area, and are being constructed to help reduce our reliance on the environmentally sensitive Rivers Test and Itchen, particularly during droughts. As well as improving the flow of water from East to West, they will also provide better connections between the South and the North of the Western Area, connecting our Andover and Southampton resource zones.

Effective drought preparation is vital. If there is not enough water during droughts for our needs, we may need to ask customers to reduce the amount of water they are using. Over the past year, we met our target of zero risk to customers for drought.

Water resources are increasingly being put under pressure for a variety of reasons including the impacts of climate change and population growth. We are currently leading work through Water Resources in the South East (WRSE) to develop a water resources strategy which identifies the best drought solutions for the region and beyond.

Our schemes in Thanet, the Isle of Wight and Brighton, aim to reduce the number of properties in these areas at risk of losing their water supply due to a lack of resilience.

Our Impounding Reservoirs performance commitment measures the progress that the company makes against its programme of work for enhancing the safety of four named reservoirs (Bewl, Darwell, Powdermill and Weir Wood), measured as the percentage completion of the schemes. The target for 2020–21 is 0% completion rising to 48.8% completion by March 2023. The schemes have been approved and design phases are complete with us forecasting to meet our targets for the rest of this five-year period.

Supporting growth

Our Business Channels team is making progress on the Developer Services improvement programme. Many of our legacy issues with legal claims and unreconciled projects have been resolved and our new workflow solution, which joins up the developer application lifecycle across multiple teams, went live in December. The workflow has improved reporting, and jeopardy management has already given benefits, with our best Levels of Service score in January since D-MeX started.

In addition, we have been simplifying our internal processes, specifically focusing on sewer and water adoptions and New Appointment and Variation processes. We have centralised our application management, improved our letter communication and enhanced our growth planning insight by partnering with Glenigan.

Our web pages have been overhauled to make it easier for customers to find information surrounding their application. Customer feedback on our new portal, GetConnected, has been very positive since its launch in June 2021.

We have also introduced new technical training for our internal teams, and we have worked with colleagues at Capita to launch a new knowledge-base tool, Reservoir. Both have helped with first contact resolution.

Changes to Ofwat's D-MeX methodology have meant our self-lay and new appointment and variation customers are now better represented in measuring levels of service. Additionally, changes to the wastewater adoption codes have taken place. In Ofwat's league table, we are currently 16th (out of 17) for D-MeX.

Our surface water management metric has been under review. Given the impacts of COVID-19 on our business, the decision has been made to focus on other more critical priorities. We are forecasting a penalty for the five-year period of £30,000.

Community engagement

Activities in this area were delayed due to the COVID-19 restrictions; however, we adapted our usual programme to provide support to our communities during this challenging time.

We made a joint donation with other water companies and the power network to give regional Community Foundations a sum of £500,000. In order to support food banks, we sent out 700 community care packs to partners working in this area.

While we were not able to carry out our schools visits programme due to the pandemic, we adapted our work in this area by providing educational video clips about the water cycle and water saving.

The opportunities for our employees to volunteer were adapted to provide remote volunteering support, for charities helping those in the community to reduce social isolation. Volunteer befrienders made weekly calls to vulnerable people throughout this time.

Working with four other water companies, we also held an online Big Virtual Water Quiz with National Geographic Kids.

For more information about our work in our communities this year, read pages 60 to 61.

Looking ahead

- We aim to reduce the number of sewer collapses in 2024–25 to 222.
- Our target for long-term supply and demand schemes is to deliver capacity of 182.5 MI/d by March 2027.
- Our work to ensure that we have enough water, even in a one in 200 year drought, includes schemes to improve water efficiency and leakage, which are currently in the early stages of design.
- Our Business Channels team will improve our Growth Planning and Financial Reconciliation processes, embedding them into our new workflow.
- Community engagement planned for 2021 includes supporting the Brighton Festival, South and South East in Bloom and Hampshire Heroes.

Case Study

Partnering to proactively and sustainably protect raw drinking water sources

Many of our raw drinking water sources in Sussex are situated in the region's famous chalk downland.

→ Read more on sustainability on pages 63 to 73

→ Read more on our work to protect and improve the environment on pages 88 to 93

Across the Brighton and Worthing Chalk Block, the level of nitrate within the aquifer can be high, and we have traditionally relied on water treatment processes in order to adhere to the strict drinking standards for customer supply.

Our new, more sustainable approach to protecting the current and future drinking water sources is based on the idea that prevention is better than cure. We're using catchment management to identify how land use, pollution hazards and groundwater pathways could impact on water quality. Then we're working to understand what we need to do to protect groundwater quality at source, so that costly and energy-intensive treatment can be minimised, or even avoided, further down the line.



Across the Brighton and Worthing Chalk Block, we've funded long-term land management incentives to implement best practice measures that reduce nitrate leaching into the groundwater. Alongside this, farmers can use our capital grants scheme to apply for funds towards infrastructure that will also help to reduce pollution.

In the Worthing Chalk Block, we are working with a cluster of farmers who have come together to form the Arun and Adur Farmer Group. Together, we're exploring more sustainable ways of using nitrate in these rural settings. For example, we have worked with farmers to carry out soil testing to identify exactly what their crops need – and how much – so fertilisers can be used more efficiently without impacting yields. This gives the farmer value for money while protecting our water sources and the environment.

Across the Brighton Chalk Block, we are part of The Aquifer Partnership (TAP), alongside Brighton and Hove City Council, the South Downs National Park Authority and the Environment Agency. Through this collaboration, we are undertaking research, engagement and awareness campaigns for both urban and rural pollution sources.

This long-term strategy will help to provide a resilient water supply for future generations while reducing the number of nitrate treatment works needed. The approaches implemented to protect water quality also provide benefits for soil health, carbon, as well as the wildlife and biodiversity of the iconic Chalk Block.

Claire Neale
Catchment Management Strategy Manager

