

Performance measures and targets 2006/07

The performance measures and targets below relate to the objectives of our Corporate Responsibility Policy. There has been a switch from calendar year to regulatory year data in areas where this is possible, in line with the new reporting period.

KEY

Progress	Time period
✓ = target achieved	For 2003, 2004 and 2005 columns, ^r denotes regulatory year 1st April - 31st March (9 months in arrears). Otherwise, data is for the calendar year stated.
on track = target on track	For 2005/06, 2006/07 and 2007/08 columns, ^c denotes calendar year. Otherwise, data is for the regulatory year stated.
x = target not achieved	
PM = Performance measure only	
N/A = not applicable	
- = not available	

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
Environment								
Comply with all relevant environmental laws, regulations and standards.	Environmental convictions. Target = 0 ^c	x	8 ^c	-	4	9	5	0 ^c
	Category one and two water pollution incidents (number). Target = 0 ^c	x	13 ^c	-	31	25	40	0 ^c
	Daily abstraction licence limits compliance for public supply. Target = 100% ^c	x	99.99 ^c	-	99.95	100	99.98	100 ^c
	Effluent discharge consent compliance. Target = 100% ^c	x	96.69 ^c	-	99.27	99.87	99.93	100 ^c
	Sludge (Use in Agriculture) Regulations 1989 compliance. Target = 100% ^c	x	99.74 ^c	-	100	100	100	100 ^c
	Sludge pathogen kill level compliance. Target = 100% ^c	✓	100 ^c	-	100	97	-	100 ^c
	Improve 29 overflows from our combined sewer systems and sewage treatment works to acceptable standards between 2005 and 2010. Target 2006/07 = 3	✓	3	2	4	22	19	Improve 29 overflows from our combined sewer systems and sewage treatment works to acceptable standards between 2005 and 2010. Target 2007/08 = 5
	Total investigations and asset upgrades planned for STW discharging to inland waters between 2005 and 2010 = 43. Target 2006/07 = 16	✓	16	11	40	33	30	Total investigations and asset upgrades planned for STW discharging to inland waters between 2005 and 2010 = 43. Target 2007/08 = 9
	Reduce the total annual phosphorus load discharged from 29 STW by a population equivalent of 1.2 million compared with 1999 levels between 2005 and 2010. Target 2006/07 = 9 sites	✓	9	11	4	8	5	Reduce the total annual phosphorus load discharged from 29 STW by a population equivalent of 1.2 million compared with 1999 levels between 2005 and 2010. Target 2007/08 = 8 sites
Air emission limits at Sludge Powered Generators (SPG), IPC compliance. Target = 100% ^c	✓	100 ^c	-	100	100	100	100 ^c	

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
Protect the environment and prevent pollution through the effective management of our activities and those of our suppliers, contractors, partners and trade effluent customers.	Environmental Commitment Programme implementation. Target = 90%. This target related to RWE global business. It has therefore been discontinued.	N/A	N/A	N/A	90% (RWEThames Water)	86% (RWEThames Water)	73% (RWEThames Water)	Target to be discontinued.
	Percentage of river lengths of good or fair quality (chemical / biological) (Environment Agency data) ^c	PM	Not yet available	N/A	93.9 / 96.0 (Thames Region)	94.7 / 96.3 (Thames Region)	94.6 / 96.2 (Thames Region)	Annual PM
	Number of STWs closures and diversions assessed for environmental impact. Target = 100%	N/A	N/A as no closures or diversions arose in 2006/07	-	N/A as no closures or diversions arose in 2005	N/A as no closures or diversions arose in 2004	100	Annual target
Apply sustainable integrated water resource management practices, balancing demand management activities with responsible water resource development.	Length of rivers suffering from low flows due to abstraction (km). (Total length of rivers in Thames Region = 3,796). Target = Complete alleviation schemes for the Churn, Ampney Brook, Cherwell by the end of 2006, and Wye and Bulbourne by the end of 2007. Completion of the Darent scheme is dependent on funding. In 2006 we will report progress on each 2006 scheme.	x	123 Ampney Brook scheme has been completed and licence varied down in February 2007. Churn scheme completed but licence variation not yet complete. Commissioning of Cherwell scheme has started, but operating agreement is being developed.	-	136 Target not complete	136	136	Length of rivers suffering from low flows due to abstraction (km). (Total length of rivers in Thames Region = 3,796). Target = Complete alleviation schemes for the Wye and Bulbourne by the end of 2007. Completion of the Darent scheme is dependent on funding. In 2007/08 we will report progress on each scheme.
	Leakage target 2006/07 = 810Ml/d	✓	790	864	915 ^f	946 ^f	943 ^f	755
	Leakage (l/property/day)	PM	223	244	260 ^f (revised figure from Ofwat)	271 ^f	272 ^f	Annual PM
	Metering (Total number of properties - domestic and commercial)	PM	988,782	925,541	912,123	877,781	1,017,643	Annual PM
	London Headroom - Target = 120 days with <150 MI/day (based on the number of outages expected through the year) ^c Headroom is the difference between water available for supply and the amount demanded by our customers. We need to have a certain level of headroom to act as a safety margin, for example, in dry summers.	x	175 ^c (days with <150MI/day) Headroom was low due to the continued outage of the Southern section of the Thames Water Ring Main. The outage was extended due to slippage of the Thames Lee Tunnel outage.	-	122 (days with <150 MI/day)	61 (Days with <100 MI/day)	-	London Headroom - Target = 120 days with <150 MI/day (based on the number of outages expected through the year) ^c
Understand and plan for the impacts of climate change and manage our contribution to climate change.	Begin work on a Climate Change Strategy	✓	We have begun work on a Climate Change and Carbon Management Strategy which we plan to adopt in 2007.	-	Climate Change Policy was produced	-	-	Adopt Climate Change and Carbon Management Strategy in 2007.

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
	Emissions of greenhouse gases (million tonnes CO ₂ equivalent). (% change from 1990/91 baseline, normalised against M/d service provided)	PM	1.48 (-11.27)	-	1.49 (-10.74)	1.43 (-18.51)	1.46 (-8.45)	Annual PM.
	Energy consumption (GWh) (electricity and gas). Target = Ensure efficient use of energy resources and aim to set a quantified target for energy efficiency in 2006 <small>*Kempton GAC Regeneration Plant gas is not included. We will include Kempton gas in 2007/08 as it is now run by Thames Water (from 2007)</small>	✓	1,344*	-	1,342*	1,312*	1,220*	Target 2007/08 = Reduce annual energy bills by £2.1million (The 2007/08 electricity budget is £64.66 million which includes the efficiency target).
	Renewable energy generation (GWh). Target = To generate 10% additional renewable energy, from 2005 baseline, by the end of 2010. Milestone 2006 = Renewable generation target is 161 GWh ^c	✓ ^c	157 (162 ^c)	-	154	138	142	Target = To generate 10% additional renewable energy, from 2005 baseline, by the end of 2010. Milestone 2007/08 = Renewable generation target is 205 GWh
Make effective and efficient use of all natural resources, including first and foremost water but also energy and raw materials.	Sewage sludge outlets. Target = 100% to beneficial use. (Total tonnes dry solids of sewage sludge produced)	✓	100 (248,418)	-	100 (263,941)	100 (245,584)	100 (239,826)	100
	Transport - fleet fuel consumption (litres).	PM	1,624,509*	-	2,485,559	2,625,379	2,558,030	Annual PM.
	Transport - business mileage (miles).	PM	13,680,570	-	13,375,472* (*based on 7 months of data, pro rata for 12 months)	13,086,610	14,698,114	Reduction targets to be developed for 2007.
Reduce the volume of waste produced and maximise reuse and recycling through proactive waste management.	Quantity of operational waste disposed of to landfill (tonnes). Target = We will increase our recycling rate for operational wastes to 60% by 2008 (from 43% in 2004).	✓	59,649	-	138,764	150,196	130,111	We will increase our recycling rate for operational wastes to 60% by 2008 (from 43% in 2004).
	Operational wastes recycled (total tonnes produced)	PM	64% (163,573)	-	48% (264,950)	43% (262,581)	55% (290,945)	Annual PM
	Capital investment wastes recycled (total tonnes produced)	PM	56% (650,665)	-	57% (340,256)	39% (460,265)	41% (596,841)	Annual PM
Protect and where possible enhance biodiversity and conserve our cultural heritage both on our land holdings and where our activities may have an impact.	Units on Sites of Special Scientific Interest (SSSI), in favourable condition (%). Target = 95% by 2010 (Defra PSA Target)	✓	96.8	-	96	96	97	95

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
	Target = Improve site biodiversity awareness of the site managers.	✓	In 2006 we continued to raise awareness in our 250 operations biodiversity schedules and 30 site management statements. Also, 16 sites were placed under a biodiversity grass cutting regime.	-	In 2005 we made good progress towards the target in developing site management statements, condition assessments and a biodiversity strategy for our land holding.	-	-	Continue to improve biodiversity awareness and implement Biodiversity Action Plan across Thames Water sites
	Area of wetland SSSIs and designated sites identified as possibly suffering from the impact of abstraction (ha)	PM	236 The Environment Agency has investigated Habitats Directive sites and confirmed that some are not suffering from the impact of abstraction.	-	2,324	2,324	2,324	Annual PM
	Invest at least £150,000 (net) each year in schemes to enhance conservation, community access and the local landscape through partnership with the community and other organisations	✓	£109,568 Due to the increased capital programme during 2006 the remaining investment will occur in 2007.	-	£350,251	£283,000	£172,081	Annual target
Community								
Seek and build trust among the communities we serve and act as a good neighbour.	Alleviate 5,561 properties and areas from internal and external flooding due to hydraulic incapacity between 2005 - 2010. Target 2006/07 = 1,110	✓	1,375	702	779 ^f	587 ^f	402 ^f	Alleviate 5,561 properties from internal and external flooding due to hydraulic incapacity between 2005 - 2010. Target 2007/08 = 1,189
	Number of odour complaints. NB Complaints received are not necessarily proven or related to our assets.	PM	762	-	983	990	-	Annual PM
Conserve and where possible provide access to our cultural heritage.	Number of engineering schemes screened for conservation and heritage impacts.	PM	1,652	-	601	537	470	Annual PM.
Make a positive contribution to the social and economic development of the communities we serve, focusing particularly on the theme of water and sanitation, linked to education, environment and healthy living.	Total Corporate Community Investment (£m)	PM	1.6	-	1.7	1.4	1.2	Annual PM
	Total funds raised through employee volunteering (including matched funding) (£) ^c (Number of staff days volunteered)	PM	231,972 ^c (472)	-	187,289 (431.5)	224,469 (246)	162,809 (347)	Annual PM
	Funds raised through 'Give As You Earn' scheme by employees (£)	PM	46,870	-	53,049	55,594	44,214	Annual PM
Customers								
Provide our customers with safe and reliable and affordable water supply and sanitation services.	Drinking water quality mean zonal compliance (%). Target = Maintain 99.9% compliance ^c .	✓	99.97 ^c	-	99.95	99.96	-	99.9
	Properties at risk of low water pressure	PM	1,338	2,215	2,455 ^f	4,836 ^f	5,129 ^f	Annual PM

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
	Response to potential sewer blockages within 4 hours of notification (which were not deferred by customers). Target = 95% ^c	x	88.6 ^c	-	87.2	85.7	85.9	95 ^c
Treat all customers fairly.	Billing Contacts - percentage answered within five working days. Target = 99.2%	✓	99.8	99.6	98.8 ^f	99.2 ^f	99.8 ^f	99.2%
	Written complaints - percentage answered within ten working days. Target = 99.6%	✓	99.7	99.0	98.9 ^f	99.6 ^f	99.8 ^f	99.6%
	Percentage of metered accounts billed on actual meter readings. Target = 99.7%	x	99.2	98.7	99.5 ^f	99.7 ^f	99.9 ^f	99.7%
	Lines not receiving engaged tone (%). Target = 100%	✓	100	100	Measure not in existence prior to 2005/06			100%
	Calls satisfactorily completed (%). Target = 93%	x	92.5	91.7	Measure not in existence prior to 2005/06			93%
	Customer Satisfaction Survey (out of 5). Target = 4.5	x	4.3	4.2	Measure not in existence prior to 2005/06			4.5
Encourage our customers to use our services wisely.	Water efficiency (M/d estimated savings). Target = Communicate with our customers on water efficiency	PM	4.77 (baseline) 88.87 (baseline plus savings from enhanced water efficiency campaign and hosepipe and sprinkler ban)	1.76	1.49 ^f	1.32 ^f	1 ^f	Annual PM
Provide our services in a way that is accessible and affordable to all of our customers, including the disabled and disadvantaged.	Number of customers utilising the Vulnerable Tariff Service	PM	2,053	-	1,323	1,097	675	Annual PM
	Customer Assistance Fund - amount donated (£)	PM	£188,000	-	115,000	122,094	134,560	Annual PM
	Number of extra care accounts registered	PM	12,195	-	7,652	7,480	7,074	Annual PM
Restore our service quickly and efficiently in the event of an interruption.	Number of unplanned interruptions to supply lasting more than six hours.	PM	30,636	32,171	19,065 ^f	35,452 ^f	14,023 ^f	Annual PM
Employees								
Ensure that equal opportunities are given to all employees and potential employees regardless of their gender, race, disability, age or religion. We recognise the importance of having a diverse workforce.	Women in management and non-management roles respectively (%)	PM	24/31	-	22 / 30	23 / 29	20 / 30	Annual PM
	Employees that have declared themselves as from a visible ethnic minority group (%)	PM	6.6	-	6.4	6.5	-	Annual PM
Invest in the development of our employees' skills, abilities and potential.	Spend on training and development per employee (£) ^c (Average number of days spent on training per employee) ^c	PM	378 ^c (2) ^c	-	430 (2.1)	420 (2.8)	280 (2)	Annual PM
Ensure the health, safety and welfare of our employees.	Number of accidents per 1,000 employees	PM	8.1	13.32	15.04	14.27	8.75	Annual PM
	Total lost working days for reportable accidents (reportable accidents)	PM	1,598 (40)	-	1508 (70)	1811 (63)	957 (36)	Annual PM
Contractors and supply chain								
Continue to foster fair, long-term, stable and productive business relationships.	Note: This is embedded within everyday business practice.	N/A	-	-	-	-	-	-
Pay all our suppliers, contractors and service providers according to mutually agreed terms and conditions.	Total spend on bought in goods and services (£m).	PM	1,044	-	915	805	950	Annual PM
	Invoices paid according to agreed terms (%) N.B. 2006 figures are based on top 300 suppliers representing 90% of spend.	PM	86	-	81	80	81	Annual PM

Policy Objective	Key Performance Measure / Target 2006/07	Target Progress	2006/07	2005/06	2005	2004	2003	Target 2007/08
Improve the environmental and ethical performance of our supply chain.	Environmental Procurement Programme. Expenditure with suppliers and contractors where: a.) contracts include sustainability criteria b.) sustainability criteria have been used to evaluate suppliers/contractors during selection c.) total resources (water utility man days/year) committed to developing responsible supplier/contractor relationships	✓	Total value of all supply contracts = £836m a.) £755m b.) at least £755m c.) 7,820	-	Where possible, all Strategy Documents over £250k include a section on environmental considerations. For high risk products and services, the environmental questionnaire is given a greater weighting.	-	-	Annual PM
	Target = Develop an approach to managing ethical issues within the supply chain.	on track	We have begun work to incorporate social/ethical issues into our Procurement Policy and into the environmental questionnaire in Framework Agreements.	-	An approach has been developed.	-	-	Annual target
Shareholders								
Improve our operating efficiency through continuous innovation.	Investment in Research and Development (£m)	PM	4.6	-	5.3	5.6	6.1	Annual PM
Provide a reasonable return on investment to our shareholders.	Final dividend (£m)	PM	535.3	-	180.6	141.2	136.1	Annual PM
	Customer gross debt (£million). Target = £255.4m	✓	193.5	-	239	213.4	214.6	203.3
	Regulatory cash interest cover - ratio. (Net cashflow (£million), Net interest paid (£million))	PM	5.31 (£753m) (£-141.8m)	5.76 (£757m) (£-131.3m)	5.13 ^f (£687m) ^f (£-133.8m) ^f	5.27 ^f (£645m) ^f (£-122m) ^f	4.73 ^f (£580m) ^f (£-123) ^f	Annual PM
Meet the corporate governance expectations of our shareholders.	Health, Safety, Environment and Process audits' corrective actions (critical) complete	PM	75	-	-	-	-	Annual PM
	Overdue corrective action (critical). Target = 0	x	22	-	-	-	-	Annual target