

# Our leakage performance overview

## October 2018

### Our leakage targets

The information in Graph 1 below shows actual leakage in 2017/18, our planned leakage levels for 2018/19 and 2019/20, and the overall annual leakage targets in those years. Each annual target is average daily leakage between April and March. Our annual leakage targets are shown as the red circles.

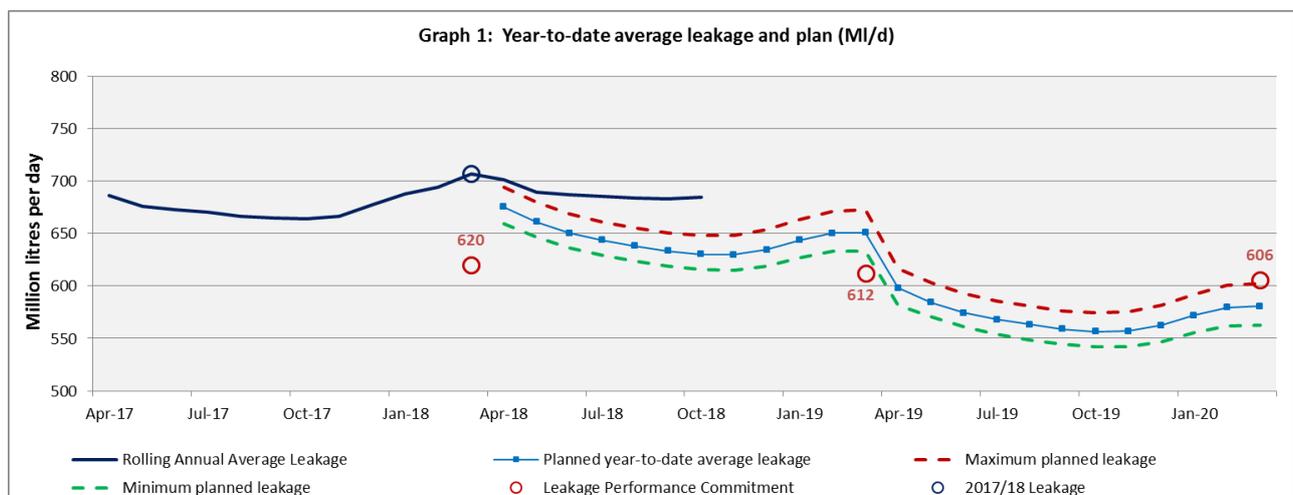
Actual leakage is the amount of water we calculate has been lost from the network through leakage. Graph 1 displays the year-to-date average daily leakage for the period April 2017 to October 2018, and our plans going forward until March 2020.

Planned leakage is the amount of water we expect to lose from the network based on our Leakage Reduction Plan. The red and green lines represent our maximum and minimum planned leakage levels.

Although our current forecast is that we will not meet our leakage target for of 612 MI/d in 2018/19, we are committed to reaching our 2019/20 leakage target of 606 MI/d. This is shown by 606 MI/d being our maximum planned leakage level by March 2020.

The impact of the cold weather we experienced in March 2018 meant leakage rose, because more bursts occurred, and even though we fixed a lot of the extra leaks, it meant we started the year with more leakage than we planned, so we have to work harder to catch up. The hot and dry weather we experienced over the summer had two effects – first, higher demand for water meant we increased the amount of pumping needed to maintain storage levels in our reservoirs. This increases pressure in the pipes which in turn increases the amount of water lost from existing leaks and means new leaks happen. Second, the very dry ground shrinks around the pipes, which can cause them to move and lead to more bursts and underground leaks.

We are committed to doing all we can to address this shortfall and start 2019/20 with leakage at a level that means we can meet our 2019/20 annual leakage target.



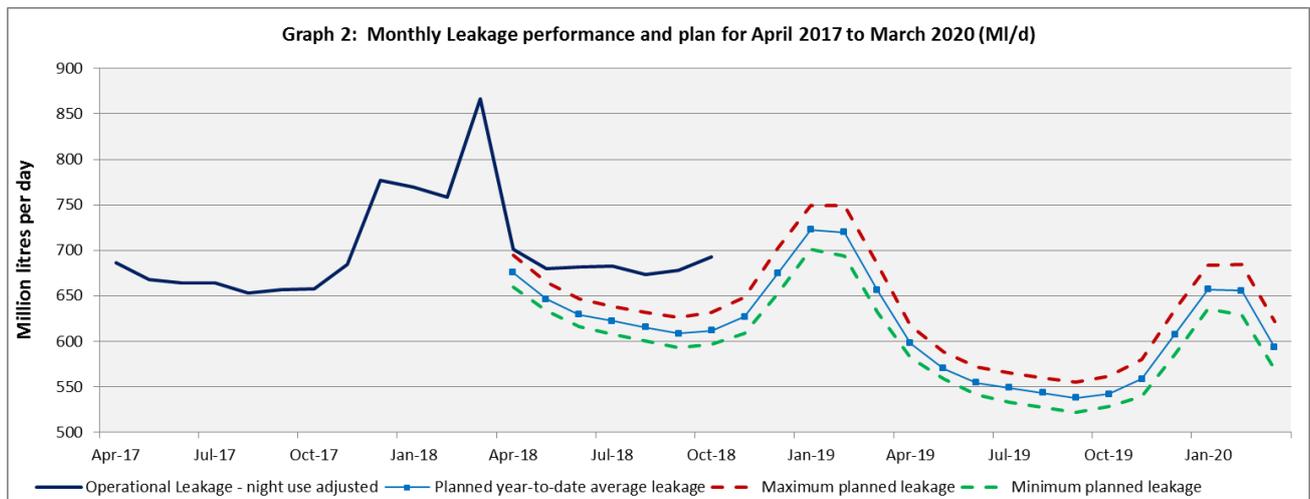
## Performance to date: April 2017 – October 2018

Our actual leakage levels each month between April 2017 and October 2018 and our planned leakage levels for 2018/19 and 2019/20 are shown in Graph 2.

As you can see from this graph, the amount of water lost varies during the year. Although hot weather can also have an impact, winter is usually the worst. Watch our [short film](#) to find out why.

Planned leakage is the amount of water we expect to lose from the network based on our Leakage Reduction Activity. The red and green lines represent our maximum and minimum planned leakage levels.

The impact of the 'Beast from the East' cold spell can clearly be seen in the peak in March 2018. The impact of the hot weather can also be seen where our leakage reduction activities, which delivered water savings above our plan, were offset by the increase in leakage.



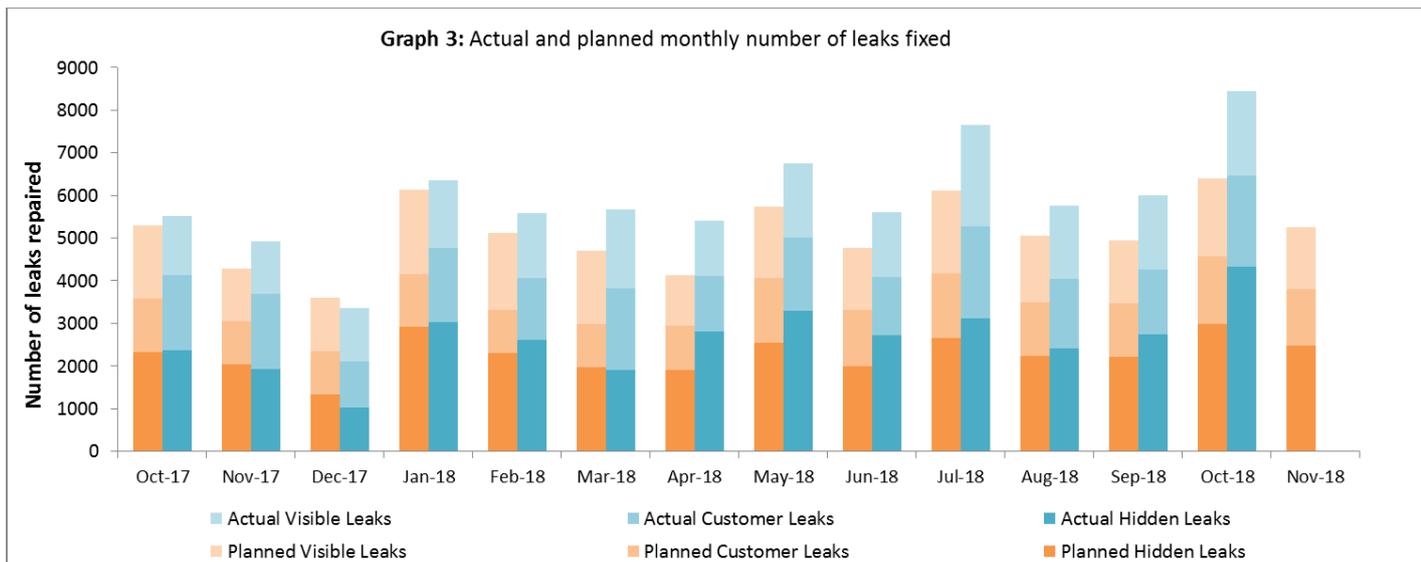
## Number of leaks fixed

Our planned and actual number of leaks fixed each month from October 2017 through to our plan for November 2018, are shown in Graph 3. This includes the different types of leaks we fixed: hidden leaks, visible leaks and customer leaks.

In October 2018, we fixed a total of 8,438 leaks, averaging 1,688 each week. Although the weather has cooled significantly since the summer months, the ground is still very dry due to the lack of rain. As a result of this, we have fixed nearly twice as many visible leaks on our largest water pipes this month, compared to October last year. The impact of the cold weather in March and hot, dry weather this summer has meant we've needed to increase our activity beyond our original planned level. We achieved this because we recruited more people in 2017/18 to fix leaks and have made improvements to our planning process.

Since January 2018, we have consistently fixed more leaks than we had originally planned. Some of the variations in our planned and delivered numbers each month are because we manage our work in weeks rather than months. So for example, the October column has 5 weeks' work included, and November has 4 weeks'.

Whilst we're ahead of our plans, this has not resulted in the benefit we expected, so we are continuing to look at all the options to improve our leakage performance.



## Leakage reduction activities

The estimated effect of our leakage reduction activities compared with our plan for each month from October 2017 to October 2018, and our plan for November 2018 is shown in Graph 4. These activities include finding and fixing hidden leaks and customer leaks, replacing worn out pipes and managing pressure in our pipes.

Over the last year, we have moved from not achieving the MI/d volumes we had planned for, to nearly achieving them in February 2018 and then outperforming them since March 2018. This is because we recruited and trained more people to do this work, made improvements to the planning process and increased the digital technology in our network in order to outperform our planned levels of activity.

Through all our leakage reduction activities, we estimate we stopped leaks which are equivalent to 54 MI/d of water in October, which was 13 MI/d more than we had originally planned.

Unfortunately, despite this, we have not yet saved as much as we need to return leakage to our original planned levels as the very cold, and then very hot and dry weather have had a significant impact.

We are committed to doing all we can to address this shortfall and start 2019/20 with leakage at a level that means we can meet our 2019/20 annual leakage target.

