



MINUTES of the Your water, your say

Ms Teams

On 19 May 2023, 3pm – 5pm

Present:

Kevin Johnson	Independent Chair
Kay Greenbank	Ofwat
Steve Hobbs	CCW
James Mackenzie	CCW
Sarah Bentley	Chief Executive Officer
Cathryn Ross	Strategy and External Affairs Director
David Bird	Retail Director
Richard Aylard	Sustainability Director
Hannah Nixon	Independent Non-Executive Board Member

A cross section of customers and other stakeholder representatives also attended the session online.

Agenda Item No.	
1.	Independent Chair Introduction
	<p>The Chair advised that the “Your Water Your Say” (“YWYS”) session had been constituted by Ofwat as part of the price review process for the period 2025 to 2030 (“PR24”).</p> <p>The Chair confirmed that he had been appointed by both Ofwat and the Consumer Council for Water (CCW) to act as the independent chair for the YWYS sessions across the sector. Thames Water, Ofwat and CCW were keen for customers and their stakeholder representatives to pose questions about Thames Water (the Company) and the issues which were important to them. The Chair was keen for participants to offer constructive challenge to the Company during the session.</p>
2.	Thames Water Presentation
	<p>Sarah Bentley, Chief Executive Officer, opened the session with a presentation on the draft Plan for the period 2025-2030.</p> <p>Delivery of the presentation was shared by Sarah, Richard, David, and Hannah and covered the following key topics:</p> <ul style="list-style-type: none">- Introduction of panel- What we do and where we operate- Listening to our customers- Our draft plan- What it means for bills- Safe, clean, reliable water- Cleaner rivers and a thriving environment- Good customer service and supporting our communities- Board engagement

	*A copy of the presentation is available online: https://www.thameswater.co.uk/about-us/regulation/your-water-your-say
3.	Questions and Answers
	<p>The Chair advised that he would be seeking questions on the following areas:</p> <ol style="list-style-type: none"> 1. Safe, clean, and reliable water 2. Good customer service and supporting communities 3. Healthy rivers and a thriving environment 4. Investment and governance <p>Participants could ask questions via the chat function in Teams, by raising their hand, or by submitting a question in advance to CCW.</p>
4.	Safe, clean, reliable drinking water
	<p><u>Question 1</u></p> <p>I'm a Thames Water customer and my question is the Environment Agency. A couple of months ago you made some very critical comments about Thames Water's plans for dealing with the threat of drought and potential for unintended consequences of some of the big engineering solutions like taking water out of other rivers. And they pointed to the very urgent needs to deal with leaks which are standing at 630 million litres a day and to better manage the east London desalination plant. And I'd be interested in the response to those comments? Thanks.</p> <p><u>Answer 1</u></p> <p>Tackling leakage and ensuring water supplies today is critical. We're fixing over 1,000 leaks per week and will spend over £55million to further help reduce leakage and £200million replacing water mains, over the next three years.</p> <p>The drought during the summer was very tough indeed, and as you probably remember, we had the hottest, driest spell since 1885, so it was a very serious situation that we were in. There are lots of things that we're doing to improve the sufficiency of water resources to make sure that we keep everybody in supply across our region.</p> <p>Sarah already talked about what we're doing to drive down leakage, working towards that 20% leakage reduction by 2025 and a further 16% leakage reduction by 2030. But that isn't enough. Last year, we were asking our customers to reduce their water consumption during that hot dry period during the summer. We saw customer demand increase by 55% in some of our areas, particularly in those areas where people have more outside space. And we just really need to help customers reduce their usage. David touched on that when he talked about what we're doing on smart metering and about how that can help us to support customers in reducing demand further.</p> <p>We know we need new water resources. We've consulted on our Water Resource Management Plan, that talks about how we make sure that we have enough water resources available to keep our population supplied, looking out as far as 2075.</p> <p>We have several schemes in that plan. One of them is a large new reservoir, 100 million litres of water that we would like to build near Abingdon in Oxfordshire. That's not just for our customers, it's also for customers across the South East including Southern Water and Affinity Water customers.</p>

We're looking at options around water recycling, for example, in Teddington. We are also looking at options to bring water from other parts of the country, like the River Severn into the River Thames, with a pipeline that runs from Gloucestershire down to Oxfordshire. None of these things are easy and none of them are quick fixes. Sarah gave some of the dates when they're going to become available, so we must start planning now to bring those resources in, alongside asking our customers to use less water and our hard work to fix leaks.

You also mentioned the desalination plant in Beckton. You may be aware that our desalination plant has a really important role to play in ensuring that we have water resources for our customers in London, however it only provides 5% of London supply. If we'd had the desalination plant up and running last summer, it wouldn't have prevented that hose pipe ban. That said, it wasn't up and running last summer. As you might know, it was undergoing some essential maintenance. We have now been progressing that work, it is on track to be completed and we are hoping to recommission that plant so it will be available this summer.

Additional comment from attendee on response 1

Just two very small points. One is to say that that that I'm not honestly convinced that a target of 50% reduction of leakage by 2050 is ambitious enough. The other is from experience and in other parts of the world dealing with water diversion projects, river diversion projects, they do have a huge potential for unintended consequences. And I do hope that those would be looked at very, very thoroughly before any decision was taken on that.

Question 2

When will we all get smart meters?

Answer 2

We are on track to deliver or about a million smart meters in this regulatory cycle. We've the largest roll out of smart meters in the country and that's providing some helpful insight for our customers to manage their water consumption, as Cathryn and David both alluded to, but also identify leakage that occurs on customers own pipe work. I think it's worth mentioning that leakage splits broadly into three categories:

- leaks from our pipe,
- leaks from customers' pipe work; and
- unaccounted for water, which is where we can't determine usage because people aren't on a meter at all.

We're putting meters in to help with the last two categories of consumers.

Additional information to address the question

Our draft plan sees us installing over 1 million smart meters between 2025 and 2030, taking us to 74% meter penetration (this means that more than 7 in 10 customers will be metered). Whilst some properties may not be meterable due to their age, share pipework and conversions over many decades, our ambition is to get smart meters on 100% of household and business connections that can physically be metered by 2035. This time frame is required due to the scale of our household and business customer base, and the complexity of smart metering the housing stock in London and Thames Valley. Our smart meter installation and innovative demand

reduction efforts with homes and business, will help us address the water resources gap in the future.

Question 3

I'm just intrigued by the challenge of the very large number of leaks in the in the streets and in pavements and the fact that they happen relentlessly all year round and the works have not been very well managed. So, I'm intrigued by what plans there are, in detail, for the renewing the infrastructure in our area? Which streets are going to see new pipes, new sewers? Where can I see those plans?

Answer 3

That is a brilliant question. The challenge of managing leakage is a relentless task. As you say, we are busy upgrading and improving the Victorian infrastructure that we have in the business. And I think there's two aspects to that:

- bringing skills back in-house:
 - o Particularly in leakage where we had an outsourced contract that meant that we couldn't direct which leaks were fixed, so we wouldn't have been able to tell you the specific details of the plans; we just had targets of overall leakage.
 - o We brought that back in-house before Christmas and with those resources now under our management, we are making much better assessment of how we deploy those resources.
 - o As soon as we go through the process, that we're going through, and start to layout our plans, we hope to be as transparent as we have been with our sewerage and sewage improvement (which I'm sure will come on to a little bit later) about our plans for upgrading the pipe work that's planned for the period.
- Minimising disruption
 - o I know that as much as customers want us to fix leaks, the disruption to the road is inconvenient as you try to get on with your daily life.
 - o We've got some brilliant collaboration facilitated by the Greater London Authority (GLA) with other utility providers, and we have some great case studies and examples that we can share that show that when we work together with other utilities, we minimise the amount of disruption by shortening about the amount of time that roads are closed.
 - o We also are investing in some innovative technology to look at pipelining and some of the moves that we've made in Queens Drive and some of the other high profile pipes to repair this pipe work by lining a pipe from the inside and pushing these pipes inside also serve to minimise the amount of disruption which again is some of the innovation that we're bringing.

Additional comment on question 3

Can I just come back quickly and say I mean exactly when will we see the plans for the pipe work in detail where can I see for the streets in my neighbourhood? A plan by neighbourhood, where everybody can see where this money is going to be spent, in which streets, to do what. Where can I see that written down and published? And when?

Further response to question 3

The overall investment plans will be available when we've gone through the regulatory process at the end of 2024/beginning of 2025, but that won't give you the precise detail that you are rightly challenging us on because that will just be a headline level of the amount of pipes we're replacing.

We will need to come back to you and let you know when we can give you that granularity. As I said, we took the challenge on with sewage discharges. We committed within 12 months, and we got that live. But I don't want to overly commit while we're working through the details with other providers, but I think that that's a great challenge and we'll let you know when we're able to share that.

Question 4

This question is related to the Thames direct abstraction proposal. I'm sure you're aware that it's been a great deal of controversy about it locally. And the question really is, I believe that that would be proposed to be operational during times of drought and the fear is that that's exactly when the river will be most under stress itself, and isn't it more appropriate to address surface water issues and reuse that water and to do more to fix leaks as others have of talked about rather than to take water out of the Thames and replace it with treated effluent?

Answer 4

Our ability to take water out of the river is tightly regulated by the Environment Agency. And so, if it would be damaging to the river for us to take that water out and put it into supply, the Environment Agency will restrict our ability to do that. We have lots of examples across our whole area of where they do that.

One of the advantages of that of that scheme at Teddington is that we are proposing essentially to put more of the clean recycled water from our Mogden treatment works into the river. So, there will be more water going into the river and then we will only be allowed to abstract that water for use from the river where it's environmentally safe to do so. I hope that will address your concerns.

Additional comment on question 4

It doesn't really, but there are a couple of other issues around that, and first that you've touched on as well, the amount of sewage that already goes into the Thames from various sources and that without tackling that, there's a fear that the water that's abstracted will already be heavily contaminated with sewage.

But there's also a worry that as has happened with some abstraction points around the Thames a little bit further upstream. The amount of silt that goes into the abstraction points and whether that's been fully understood because you could risk spending money on a proposal and then unfortunately it not being operational or requiring vast further sums of money to keep it operational. I wondered if you would address that as well.

Further response to question 4

Good question. I completely understand how concerned people get when they hear that sewage treatment works are essentially discharging treated recycled water into rivers. In fact, if you stand

at the end of our sewage treatment processing, you look at the water that comes out of a sewage treatment works when it's gone through that process, it is clean water.

This recycled water already is perfectly safe at that point, so the water that's going from Mogden sewage treatment works into the Thames is going to be clean recycled water at that point. We do have more to do in terms of explaining that to people and showing them more of what happens at the works so that they can be confident that what's coming out of the works and into the river is safe and properly recycled.

The second question was about silt. This is a good point and it's something that we're aware of across our patch. One of the things we're looking at, and we're starting to do some of this work in the next 12 months, is to replace some of the big pumps that we have that take water out of the rivers with smaller or variable speed pumps. That's helpful because it means that when the river has got relatively low flow, we can take as much water as is reasonable to abstract, bearing in mind the need to protect the environment without drawing in lots of silt from the river.

Question 5

I understood what Sarah Bentley said about moving towards an in-house model in relation to road works and so forth, but that's realistically years away. And we have an existing contracting model which involves a supply chain which is patchy at best in how it performs.

My key observation is the amount of time it takes in traffic sensitive areas for jobs to be done, which often go way beyond the dates that are posted, have many, many hours of dead time within those work periods, and then get finished outside of normal working hours. And if we talk to the contractors, dismiss questions with excuses about it being an emergency and all the rest of it when it clearly isn't.

So, what can we do between now and the Holy Grail of everything being brought in-house to improve that day-to-day performance, particularly in central London, where so many people live and work?

Answer 5

I wholly agree with you that we need to reduce the cycle time of our works, minimise the disruption for residents where we're having to do the work and be thoughtful about the hours that we are doing that work in both for businesses so that we're not disrupting but also for residents.

All the management and resource deployment has been brought in-house today and that is starting the journey of improvement. I mentioned earlier our eight-year turnaround plan. We're two years into it and the improvement both in terms of the customer experience but also the efficiency because they're all tied together of the deployment of a resources to go and fix leaks is absolutely part of the plan.

Additional comment on question 5

We've seen on many occasions that regulated utilities go through a process of working out that the best thing to do is to outsource the supply chain because it provides competition around the table which then leads to high levels of accountability. You can have incentives for non-

	<p>performance all the rest of it and then that doesn't work. And then it all gets brought back in-house. Then we go through regulatory period where it's all done in-house and that doesn't work. And then we send it out again. So what evidence, what comfort can we have that bringing it all back in as it used to be will work?</p> <p><u>Further response to question 5</u></p> <p>I think that the issue isn't whether it's insourced or outsourced. There are different reasons why bringing some of the skills in-house are critical, not just in terms of the quality, the values of the work, but also to ensure that we've got resilience for emergencies as well. And for the peaks and troughs in hot summers, and cold freezing winter conditions. There are different strategic reasons about the insource/outsourcing decision.</p> <p>What you're fundamentally addressing is do we manage the work well, and that is a critical part of the turnaround plan because it is evidently clear from decades of poor performance that we have not been managing work well. What I can't do is give you false comfort or don't want to give you false comfort. I think the proof is in the pudding. There are green shoots that we are starting to see of performance improvement. But rest assured we have a long journey ahead. I put together an eight year plan because there are a lot of problems that we need to fix and the point that you are making is one of the very pressing ones.</p> <p><u>Question 6</u></p> <p>When will 'fix my sewer' be available for the public to log issues on? Will it be an app or via website? Do you have details now that are available for us today?</p> <p><u>Answer 6</u></p> <p>It's part of a suite of 'fix my' – leak, sewer pollution... They are ready to go. I've seen a trial version of it. It looks very good. I don't have an exact date when it will be live, but it's imminent.</p>
5.	<p>Good customer service and supporting communities</p>
	<p><u>Question 7</u></p> <p>I'm having several issues with Thames Water. I represent new connections customers on the smaller end of the market. Small amendments, predominantly individual services. My question to you, Sarah is can I have 15 minutes of your time for a face to face meeting so I can go through some of these?</p> <p>My current frustration is the fact that Thames Water failed to acknowledge any guaranteed standards failures. I took the matter to Ofwat off what ruled in my favour, suggesting that that Thames Water were wrong. That was three months ago. I'm still waiting for Thames Water to do anything about it.</p> <p>In the meantime, customers in Thames Water are getting a worse level of service than any other water company that I deal with. You're making an appointment and then just don't turn up. And to make matters worse, the regulator doesn't know that because you don't recognise it as guaranteed standards. What I'd really like 15 minutes to talk through the issues.</p>

Answer 7

Firstly, I am so sorry, to hear about your experience, I do recognise absolutely that our customer service has a long way to go. David mentioned our customer experience scores, and developer experience as well. When you talk about new connections and the developer services, we've got a long way to go being near the bottom of the league table. It's one of the key tenants of our turnaround plan and we're having to start with some quite remedial activities first.

Things like trying to reduce complaints which have come down by over 40% last year and are on track for about 27% this year, but even if we do those sorts of double digit reductions for the next two years, we're still kind of going to be kind of at the bottom end of the sector. We won't be the worst then after four years of that kind of dramatic improvement. I'm very happy to pick up the issues you have raised offline and I'm sure David will be delighted to join me in that.

Further response to question 7

A meeting has been arranged for 1 June 2023 between the customer who raised this question and Thames Water. Representatives from Thames Water who will attend the meeting include Sarah Bentley, CEO and David Bird, Retail Director.

Question 8

I was part of a consortium that that created a proof of concept called Water Forum which is really taking open data in a secure way and helping water companies to identify financially vulnerable customers. We worked with interested parties to really design better customer experiences to make it easier for the water company as well as for the users to get financial support for millions of customers that need it. My question is, you know is has times water an appetite to test this solution for with real customers?

Answer 8

We've just launched on our website the ability for customers to go through an online income and expenditure tracker, which then immediately points them to the right agents to support in terms of offering advice. I think probably the best thing to do is for you and I to take that offline, I can find out a bit more about what you've got to offer because we're putting a huge amount of investment into supporting vulnerable customers as we said in our presentation. We know that it's going to get a lot harder for customers, particularly around financial vulnerability.

I think we're looking at vulnerability in a holistic way because a lot of these issues are quite interrelated. I think anything you can do to support us on that journey would be gratefully received. And we are doing a lot of work with a lot of other organisations. The NHS, local councils, charities, debt charities to really make sure that as far as we can, we're packaging this up and we're providing holistic solutions rather than just trying to sort out challenges on people paying their water bill.

You'll be able to find my e-mail, but certainly contact me, and we'll take it offline.

Question 9

I have experienced domestic issues, customer service and other ongoing issues. The plan that you've got for 2025 to 2030 sounds great, but I want help to resolve my ongoing issues. I'm in desperate need of some answers. I know that this is just sort of it's a personal thing, but if you can help or if you could address it up you wonderful.

Answer 9

I wholeheartedly apologise for what sounds like a long standing and very difficult personal experience for you. We will make sure through CCW and the organisers of this call to get your details and see what we can do to resolve them. But I apologise in advance of us picking up your details.

Question 10

Is Thames Water going to put additional funding into complaint handling in the next funding period? A customer had a problem with a water meter installed at their property, which was capturing the supply of her neighbours as well. This customer has been calling Thames Water repeatedly since September 2022 and has not been unable to resolve the problem.

Answer 10

We have made significant improvements in where we are in terms of how we handle complaints just in terms of the numbers that we've seen over the last two years and there is still a huge way to go. We've given ourselves targets to continue reductions of certainly 25% a year reduction for the next couple of years. I am keen that we become far more proactive.

We've talked about smart metering and smart metering gives us some insightful data. So, part of this is not necessarily just about putting more resources into answering complaints, it's resolving those complaints first time and proactively understanding where things may not be working, contacting customers, and resolving those.

We are absolutely committed to making the complaint numbers reduce, but also approaching it in a different way as we move through the rest of this period and into the next.

Question 11

Are there costs of fines from roadworks passed on to customers? And if so, if you're confident about your turn around proposals, is that a cost that your shareholders are willing to take on rather than customers going forward?

Answer 11

Financial penalties from our regulators are not paid for by our customers. They are paid for by our shareholders. So that is true for financial penalties we get from folks like the Environment Agency and from Ofwat. What I'm less clear about is the treatment of financial penalties that we get from local councils on street works. So let me take that one offline and come back to you on.

Additional information to respond to question 11

Fines from roadworks are not allowed by Ofwat to be included in Totex and they not charged to customers. This is stated in Ofwat's regulatory accounting guidelines. Specifically:

4C.4 Disallowable costs - In setting price controls, we have used an overarching principle that costs should only feature in our totex for cost sharing for activities where it is appropriate for a company to share an over (or under) spend with their customers. We define disallowable items as costs that do not conform to this overarching principle. These include costs associated with impairment of other businesses; costs related to financing (bond issuance fees, refinancing, takeover costs); fines and investigation costs; compensation claims; and any other costs where the activity driving it does not, ex ante, have a reasonable expectation of customer benefit.

4J.11 Costs associated with Traffic Management Act - Costs directly related to permit schemes made pursuant to the Traffic Management Act excluding penalties or fines incurred by the company

4J.12 Costs associated with lane rental schemes - Costs directly associated with lane rental schemes excluding penalties or fines incurred by the company.

Question 12

How much financial support in total in pounds do you propose to make available to customers struggling to afford their water bills in 2025 to 30 and how much or what percentage of financial support will be funded from shareholder profits?

Answer 12

Now we're putting in £110 million a year in terms of support for vulnerable customers. We did some research last year with our broader customer group to understand how we could cross subsidise and make sure that we're creating as much support as possible and we now have the highest level of support of any water company.

We're also looking at a different suite of tariffs that we want to trial over the coming two years of this regulatory period with a view that we can then implement those in the financial period that we're talking about on this call.

Additional information to respond to question 12

Whilst our plans are still to be finalised, we aim to enable support to customers with an average value of over £142 million per year, totalling over £700 million during the period 2025 to 2030.

Around £500 million of this will be applied to reducing water bills and debt, but we also intend to expand our support beyond the water sector and seek wider benefits for our customers, such as those achieved through Income Maximisation with a value averaging £40 million a year.

We plan to continue with Shareholder support to fund our Thames Water Trust Fund and debt support schemes. The value of these planned contributions is £30 million over the 2025-2030 period. This equates to 6% of the total water bill related support.

	<p><u>Question 13</u></p> <p>My fear, as a vulnerable customer on the priority list risk register, is that with a smart meter, the additional water that I know myself and a couple of other people I know who have got additional needs and use so showers, washing clothes will not be affordable.</p> <p>With a smart meter it could get to the stage where I'll be scared of using the water, you know how much is it for a shower? How much does it cost to do the clothes? The same way as it is at the moment when we're putting heating on. I wondered who you're working with to try and work a tariff or allowance for people.</p> <p><u>Answer 13</u></p> <p>The short answer is absolutely we're looking at that because we don't want people like yourself to be disadvantaged. In fact, there was a session this morning with our customer Challenge Group, which is a group that we use to give feedback on a whole range of options and some of those topics being discussed today. It's something we've got on the radar, and I can assure you, we don't want to disadvantage vulnerable customers through the implementation of our smart meter roll out.</p> <p>The smart meter roll-out gives us the ability in certain situations to help customers like yourself to identify where there may be leaks in the property so it can help, but also then to make sure that we're supporting you with a whole range of other packages and benefits. There is work to do, but we're developing some new initiatives and improving existing ones and they will be part of the plan for 2025 onwards.</p>
6.	<p>Healthy rivers and a thriving environment</p>
	<p><u>Question 14</u></p> <p>Having just watched Paul Whitehouse's two programmes on dumping sewage in rivers and the sea that surrounds us, I'm appalled by the consequences of water companies' involvement in this matter. Why are we behaving like a third world country? What do you plan to do to clean up your image?</p> <p><u>Answer 14</u></p> <p>I absolutely understand this concern and we've been very clear that any discharge of untreated sewage is unacceptable, but nobody is dumping anything. What is happening is that after it's been raining heavily or for a long period, the flows coming into our system are greater than it can cope with. Sometimes that leads to an overflow from the sewers, from the network, and sometimes it leads to a sewage treatment works being overloaded.</p> <p>The first thing we've done is we've made it very clear that this is unacceptable. The second thing is we have opened up, so we're now being completely transparent. We are the only company doing this so far, we've a live, or very close to live, map which shows where these discharges are taking place. It also shows what we're going to be doing at those locations at the same time.</p> <p>We've got a big programme of reducing the discharges and there's three things we can do about that. The first thing is to reduce the amount of rainfall getting into the sewers. That's dealing with</p>

the problem at source, it's the right thing to do, but it's also complicated and not always very certain.

We can also increase the size of our sewage treatment works, and many of those need to be increased in size anyway to cope with population growth.

The third thing we can do is we can build bigger storm tanks on the system to provide storage, to wait for the flows to subside. Those have their place but building storm tanks and getting them full is the easy bit. Getting them emptied is difficult if you haven't got the capacity, so building more capacity and building more storm tanks must go hand in hand. What we've done is we've set a target that by 2030 we will reduce the total duration of those discharges by 50%. And where we are discharging into a sensitive catchment like a chalk stream or upstream of a bathing water area will reduce it by 80%.

There is a detailed programme which we're getting on with, and some of it's already been done. There's a lot more to do and there will be a lot more about this in our next business plan because we recognise that it's a big problem.

Question 15

Storm discharge has been happening where I live, in Witney. Loads of residents are frustrated with the continued discharges of sewage, with what's perceived as relatively low levels of rain rather than what people would describe the storms. Appreciate the upgrade happening at Witney sewage treatment works at the moment. Just keen to understand what percentage that will reduce discharges and with lots of house building going on now, what's in the pipeline for future upgrades to support this as well.

Answer 15

Yes, as you say Witney Sewage Treatment works is being upgraded. It's going to get 60% more capacity and that will be finished next year. After that, we would only expect there to be a discharge from Witney sewage treatment works in genuinely exceptional circumstances.

It discharges by the Colwell Brook and into the River Windrush, which is a very sensitive river. We know it's important to sort this out and work is taking place now, but the biggest problem with Witney is infiltration into the network.

There are 45,000 people, 18,000 homes connected to Witney sewage works but it's got 200 miles of sewers. We are working out which of those bits of sewer are allowing infiltration and we will be developing a plan to work on that, but that is time consuming and its relatively expensive work. So, getting the upgrade done quickly is the most important point and similar work is going on at a lot of other places.

Question 16

I'm representing a group of residents around the Colne Valley. Over in Witney, we have a lot of residents very concerned about the amount of discharge at the moment. For example, two nearby wastewater treatment plants (Ampney brook and the Fairford) discharged between Christmas and the end of January.

These sites charged 24/7 during that period and I have a significant concern about that. We do note that there is investment plan in both of those parts, which we're encouraged about, but I wanted to challenge your target. I don't think your target is ambitious enough, 163,000 hours you discharged in 2021 that would cut in half to 80,000 hours. There are 8 1/2 thousand hours in the year, there's an enormous amount of discharge still happening, and I think that target isn't ambitious, ambitious enough.

Second part of my quick question, if that's OK, is around who's paying for this. I was encouraged yesterday by the again commitments by the water companies that they'll be investing more money in this area. But when you look at the small print up which the news outlets picked up later in the day, this is being passed on to the customer in the most part.

Lack of investment over the last 20 years, services that we've paid for through our bills we haven't got. And you'll now just asking us to pay more for our bills, despite the fact you'll shareholders have taken an enormous amount of money out of your businesses, the business model seems broken to me. And for something that's so important and there is significant public support for, I think you really need to rethink your level of investment and where you're getting those resources from.

Answer 16

Fairford is getting a substantial increase, which would be completed in 2025, early 2025 and Ampney St Peter currently looks like early 2026, but we're bringing that into 2025 if we can. Both of those are well underway in terms of the targets, if we can do more, we will. You know, this is a commitment, it's not a target that we're trying to hit exactly. We want to go beyond that. And the more we can do, the more quickly we can do it, the better.

But we're not going to help anybody by setting targets that we can't meet. There will be a lot more coming through an ambitious business plan that we're developing, and this is work in progress, but 50% is a minimum commitment and the Colne valley will certainly become under the 80% reduction.

Question 17

Nature based solutions are often lower cost solutions than your highly engineered solutions in terms of treatment and you are encouraged to look at those. There are also plenty of local farmers in our area that would like to see improved water quality but also to create better improved nature in those areas as well. Some nature based solutions I think you can save money and have a bigger win as well from a wider environmental perspective and I advise you to look at that in more detail if you haven't already.

Answer 17

We'd love to do more nature based solutions. We are developing some and we're keen to do more but they do have to meet the regulatory standards. The regulatory standards we are required to meet for things like phosphorus are set really for an end of pipe type situation. For instance, if we're trying to get phosphorus down using nature based solution like a reed bed, we'll get phosphorus down to perhaps 1.1 or 1.2 milligrams per litre.

We're being set standards at the moment of 0.2 milligrams, so nature based solution will help with polishing, but it's not going to remove the cost and complexity of doing quite a lot of chemical work actually in the works itself. If we could do it all using the nature-based solutions, we would, but in our area, we've particularly sensitive rivers and we've large populations. It won't work everywhere but where it will work, we are keen to do it.

Question 18

Does the 30% and 50% reduction in pollution incidents include the benefits being delivered by the Tideway Tunnel, or is it in addition to those benefits?

Answer 18

The reduction in duration of untreated discharges includes what is coming from the Thames Tideway Tunnel, which is very significant for the tidal river.

The pollution incidents are about where things have gone wrong, where there's been a blockage in a sewer, or whether it's been a failure of equipment, possibly a power cut. If a generator didn't start when it should have done, and that target is 30% for those incidents. The Thames Tideway Tunnel does not deal with pollution incidents.

Question 19

I would like to challenge Cathryn on a statement earlier about final effluent treated discharges to rivers being clean. It's relatively clean, but I think in terms of micro pollutants there's a bigger question. My question is this, we have all recognised that storm discharges or spills are not desirable, and we recognise they impact some rivers and catchments more than others.

That said, discharges from a sewage treatment works are harmful, even if it is operating 24/7, and will be sending pollutants. The pharmaceuticals, the cosmetics, etcetera into our river and that's remains a huge concern for me. I'd like to know what actions are planned or can be used now to start reducing that impact in the short term.

Answer 19

Sewage treatment works have never been designed to take out the kind of chemicals that we're expecting them to do now. So, things like pharmaceuticals, like pesticides, lots of other things that people dispose of won't be taken out by the sewage works or, if they will, it's incidental to its job of taking out and dealing with human waste.

What the water industry collectively is doing is we have a chemical investigations programme which we work on with the Environment Agency and each company nominates a number of works and we monitor for particular chemicals, and we try and see the extent to which they can be treated.

But ultimately, if we really want to take out chemicals, it is much better to deal with this at source and not get things going into the sewers in the first place. To get the chemicals out reliably and to a high standard will require us to treat the sewage with the same kind of techniques as we use for

drinking water. So, we're talking about a carbon sandwich type approach including sand filters, and the cost of that would be huge.

What we're doing now is working as an industry to see the scale of the problem and then starting to try and develop cost effective solutions that we can deal with. But it's absolutely recognised, and the important point is we is that we should monitor for it and identify the consequences for the river of all these things that we so happily flushed down the toilet.

Question 20

Millions of people enjoy paddling on our waters to stay active for their health, mental wellbeing, and connect and protect nature. We're moving plastic pollution and invasive non-native species. How are you prioritising reductions of sewage discharges at popular recreational locations? For example, those in their canoe clubs and paddle sports centres, which are not designated as bathing waters which can impact on public health.

Answer 20

We're acutely aware of this problem and we want to be developing more designated bathing waters. We're working with a number of communities, taking water samples and working out how we can help them to get bathing water status. We think that publishing our live map is important so that people can take their own risk based decisions based on what has happened in a river.

We're also building up our understanding of where rivers are used extensively for recreation and then we'll be working to use higher standards where possible for discharges upstream of those locations. Particularly on the Thames at the moment, we've already got bathing water status for Port Meadow in Oxford, we are working with the community in Wallingford and we're about to start working with the community in Henley and in each of those cases we'll be doing sampling, publishing results and work out exactly where there is a problem and what we can do about it.

Question 21

You mentioned that the regulation to only permit sewage spills during exceptional rainfall events was the intention behind the regulations but was not made into a legal requirement. So, you can still pretty much discharge anytime that your sewage works can't cope because you haven't invested enough in it.

Can you explain this further and provide a link to the relevant regulations and guidance?

And I also wanted to know why there was only duration and number of spills data published and nothing on the quantity or any biological analysis of the untreated sewage that has been spilled and its effect on the river ecology. Can you make this data available and hopefully when?

Answer 21

We must observe the permit conditions and the permit conditions, say the minimum amounts of flow that must be treated before we start to divert anything into the storm tanks and absolutely the storm tanks could then overflow to the river if they become full before we've got the extra

capacity. It doesn't mean we can do it whenever we like. We can do it and we would do it as little as possible.

The legal requirement is not to be doing it before we're treating the required level of flow, so it's a numerical flow requirement in the permit and certainly the way that the regulations were designed was to try and make sure discharges did only happen in exceptional circumstances. The point I was making is that ultimately, it's the permit that decides how we measure in terms of volume. We would be perfectly happy to publish the amount of volume of spills because in some cases that is very small, and people assume that it's worse than it is. We're not trying to fight anything here, but we only have a very small number of works where we do measure volume, we measure it at Mogden sewage works at Didcot, at Witney, and a couple of others.

We could fit volumetric monitoring at other works, but it's expensive, it's time consuming and we've got an awful lot of other monitoring that we're required to do. The other problem is fitting a volumetric monitor. If you've got water that's going through a pipe, it is simple, but in many cases the discharges are over a weir and trying to measure the volume going over a weir is quite complicated.

So, it's something I would like us to be able to do. We would like to be able to do as a company, we can't at the moment. I think there will come a time when we do it, but at the moment it's the upstream and downstream monitoring of sewage works which we are going to be required to fit under the Environment Act and that will deal with the question that you were asking about the impact of what's actually going into the river. So upstream, downstream monitoring first, I think probably volumetric monitoring one day, but in the meantime where we've got it, we're happy to make it available.

Question 22

Following on with had some discussion about the abstraction and was quite shocked to hear when it was saying that it's a recycling water scheme that's having no effect because its clean water coming back in and as far as we're concerned and we've got microbiologist and various experts and our group, it is not clean drinking water that you're planning to pump back in. It's treated effluent with microplastics, higher saline levels, higher hormone levels and other chemicals that we have just been discussing and basically this clean not clean.

And I'd like to know how much financially will your environmentally destructive Teddington abstraction plan saved customers financially compared to the alternative options that you mentioned? And do you really think the public will prefer to save a few pennies in exchange for pumping huge amounts of wildlife, threatening treated effluent into the Thames?

Also, we are concerned about the sweetener, where we'll have to be using the abstraction pipes continuously so that the pipes don't get blocked up. It's not just in drought, it's going to be continuous throughout the year a certain amount. So maybe that should be pointed out too.

Answer 22

I don't think we can give you a precise costing for the scheme. What I can say is that the water resource management plan process tries to find the best overall value plan where it's looking at economic value and environmental value and social values. All those things are built in to the

projections for the plan and then ultimately that plan goes to the Secretary of State who decides on it.

The Environment Agency will set conditions for any discharge or for any abstraction that we make. The plan at the moment is whatever we put into the river will be not just the fully treated effluent that we would normally discharge, but it would have an extra level of treatment. It will certainly be clean water that's going in and it will allow us to abstract the extra water that we need in drought conditions for our customers. But it will only go ahead if it's part of the best value plan over overall, so there's a lot more work to be done yet, and certainly all the responses that we've had and there's been a lot about Teddington are being looked into and will be responded to as part of the consultation response.

With regards to the sweetener, if you just leave water in a pipe and shut it off, it will start to get quite stale. You put what is known as a sweetening flow through, but it is a very small proportion. I don't know what proportion there would be but in general the sweetening flow is just literally to keep the water moving so that it doesn't go stagnant.

7. Investment and governance

Question 23

Why are we still in a state of poor and overloaded infrastructure, as you've had 34 years since privatisation? To sort this out, it was, after all, the rationale for privatisation. Will you admit profit and shareholders have been put in front of maintaining and improving the sewage network?

Answer 23

I appreciate the concern that's behind that. I wanted to reassure you first of all that our shareholders are actually putting money into the business, not taking money out and they haven't taken dividend out of this company for five years now. And this year alone they put in £500 million. So, you know the commitment from our shareholders to invest in the company to support our turnaround plan, that's been outlined by the team, is absolute and that will see the investment is going to deliver the priorities that Sarah and the team have talked about.

Question 24

People will have seen the announcement from Water UK yesterday. They've seen the plans that you've put forward in this presentation today. It's a very sort of simple question really, which I'm sure we've got a more complicated answer, but who's paying?

Answer 24

Essentially our shareholders are putting in about £2 billion more than we're receiving from our regulatory settlement this period and, as I said, put in £500 million this year. The long term commitment to supporting that turnaround is there. But our money overall comes from a combination of customer bills, the financing we raise, and of course our shareholders.

Overall, there is a distinction between money that we need to spend that we should have spent in the past, but we didn't. And if we have money that we should have spent in the past money, perhaps we got from our customers in the past to do things that they should have expected and

that we didn't do then that is on our shareholders. =That expenditure is being paid for by our shareholders.

However, a lot of the plans that we are putting in place - and you've just heard this conversation going on about rising expectations around river quality and the need for vast investment to fix a system that in many cases is working as designed but is not doing what people now expect - that's a new demand on the system, and so we must put that through future plans. And I'm afraid that is going to fall on customer bills.

The advantage of having private capital in the water sector – and Hannah spoke about our shareholders – is that those shareholders can lend money, in a sense they can give money to the business, that enables us to make that expenditure today, but to spread the cost of it over, in some cases over decades to come, because it's the decades to come that will get the benefit, not just people today. I'm afraid the majority of the expenditure that we're going to see in delivering these improvements that we've talked about, these new water resources, the improvements in sewage capacity to reduce discharge of untreated sewage, the majority of that is going to go on to the customer bills. But please be assured that where there is money that we should have spent to meet obligations that we've had in the past, that we haven't met, that bill will fall squarely on our shareholders.

Question 25

Working with the regulator, is there a danger of going through a five year periods that effectively you go through a boom and bust type approach of we can spend, we can invest, but when the money's gone, it's gone. What I'd like to know is when there are exceptional circumstances, how can you obtain additional funding, and can you do that quickly because it's clearly a barrier?

Answer 25

I've been around in the water sector for a little while now, and I completely recognise that cycle of boom and bust that you're talking about that that has been driven in the past by these five year regulatory periods. I have to say, and this is credit to our regulator, they have put in place something that they call 'transitional expenditure'. So, if we want to spend money at the end of a control period that we would otherwise have had to wait until the next control period spend, we can go to the regulator and say "this is money we would like to spend now" that we would have spent it in the next period. Can we please spend it now and recover it from our customers later with your blessing?

And we can do that. And in fact, for this coming price control, which is the 2024 price control, the regulator's extended that transitional expenditure period from one year to two years. So, we're now able to do even more of that and that will really help smooth the boom and bust and it's that's good in terms of allowing us to bring forward delivery for our customers, but it's also good in terms of efficiency because it means we can have those better relationships with the supply chain. We're not asking people to, you know, expand their capacity to serve us and then cut that capacity and then expand it again. So, it makes the whole thing more efficient. It's a good innovation in regulation.

Question 26

Is the board accountable to shareholders?

Answer 26

The board is made-up of a majority of independent non-executive directors. We have just two shareholder directors on our board and six independent non-executive directors. As a Board, we retain a significant degree of independence from the Thames Water shareholders.

We're committed to making sure we have a keen eye on what our customers need, require, and want from us. Hence the stakeholder engagement that we do. We have corporate duties in terms of our wider stakeholders, both our debt providers and our shareholders. We have an array of stakeholder views that we have to consider. Whilst we consider their views, we are not directly accountable to those stakeholders.

Additional information to respond to question 26

As stated in the most recent Annual Report, the Independent Non-Executive Directors form the largest single group on the Board, taking account of the Executive Directors and the shareholder appointed Non-Executive Directors. All the Non-Executive Directors provide appropriate challenge and contribute to the development of the business to promote the success of the company.

The Board is committed to ensuring an appropriate mix of skills, experience, and independence on the Board, which is considered when new directors are appointed. The shareholders also consider the mix of skills and experience when nominating their Non-Executive Directors to the Board, in order to complement the Independent Directors. This overall approach is appropriate in order to balance the needs of customers, the environment, shareholders, and other stakeholders. This approach also takes into account the UK Code requirements as well as the private shareholder-owned nature of the business.

Question 27

My question really relates to the opportunity for businesses and indeed individuals to be able to share complaints effectively that not about quality of service as consumers and so forth, but about the efficiency and effectiveness of the regulated utilities of teams, in this case, to off what, or indeed the CCW.

And the reason I asked that is because, as I understand it from my own experience, it's either not possible under existing legislation or is very difficult for us to do that as we've seen today, there's an enormous amount of understanding of how Thames impacts the rest of the world Environment, central London particular.

But our capacity to identify, articulate, convey to the regulators, the impact that is happening between these challenge sessions between the control period review process is incredibly limited. In the same way that I can e-mail the CMA and say I've got competition issue, I think there's an irregularity in the market going on. Wouldn't it be good if businesses, business organisations and indeed individuals had a pathway to make submissions about efficiency of terms to them directly

without sort of getting tangled up in the world of all those really important issues for consumers who are dealing with connections, meters, and water quality?

Answer 27

Having worked in non-regulated businesses throughout my career, that much more direct collaborative approach and challenge is something I am familiar with. There are some market processes that exist, but as you say, they're quite specific.

You know, if you're a business customer or a residential customer, what we do is have a range of different engagements. So, I and other members of the executive leadership team worked with Business London in your area, the Thames Valley Chamber of Commerce. And so, we try to get closer to the businesses we serve and there are some really good examples of where that works.

There is a good case study around Heathrow, which has very specific water demand but also effluent. If you think about de-icing planes and things like that where we work very closely with them to ensure that the services we provide meet their needs. I think your point is well made. We have some informal challenge channels.

When we get our draft determination in our price control which we're expecting to do sometime in May or June 2024 that draft determination is public, and you are able to comment on that draft determination. So, if any individual wants to look at that draft determination and give comments to the regulator about whether they think that draft determination is as challenging as it should be, or, highlights the right investment, you are able to do that. A very, very long time ago I used to work for the regulator and we did get submissions from individual customers in response to those consultations.

Question 28

Why has Thames Water for decades been reaping the rewards of having thousands of new customers from the building of new homes? But they haven't improved or upgraded their series systems?

Answer 28

The investment plans that we've laid out and I think Richard talked about them, are absolutely to address population growth and we've two things going on. We have population growth and climate change. I think you know we could spend a lot longer than the two minutes you give me, Kevin, to kind of go back and look at why these things haven't happened in the past. One of the things I was very clear when I arrived is you just wouldn't start from here, where the performance and service we've been providing hasn't been acceptable.

That is why the board brought me in to turn the business around and we've created the plans and the plans and the progress that we are making in this regulatory cycle are laying foundations and there are some green shoots. But 2025 to 2030 is a critical time to be able to make much bigger strides in inroads to be able to improve things, things like the sewage treatment map and being able to show very transparently where things are going wrong.

	<p>The plans that we have to upgrade things, including the additional £2 billion of investment that we're doing, are exactly to try to address some of the things that have gone wrong. But it's a massive challenge because it's been going on for a while and it will take time and that's why this turn around period through to the end of the decade is critical.</p>
<p>9.</p>	<p>Independent Chair closing</p>
	<p>The Chair closed the session, thanking all delegates for their participation.</p> <p>The Chair reminded all of those on the call that all the questions submitted would be shared with Thame Water and any questions not asked in the session would be answered within the meeting notes.</p> <p>The company will share a copy of the session notes and presentation on its website. The Chair informed those in the session that another 'Your water, your say session' will be staged following submission of the business plan in the autumn including how comments from this session have fed into the final business plan.</p>



MINUTES of the Your water, your say

Ms Teams

On 19 May 2023, 3pm – 5pm

Outstanding questions not answered at the meeting:

Question	Response
29. What is being done about managing the pollution of waste water that affect public water areas such as the Splash in Fetcham and the stepping stones/Mickleham. Where people and dogs bathe and get ill.	See response to question 20, above.
30. Please can you provide a plan with milestones and timeline for stopping all outflows of untreated sewage into the River Mole.	<p>All untreated discharges of sewage are unacceptable, and we are working hard to stop them. As part of our current regulatory period from 2020 to 2025 we are focussing investment on the installation of new flow monitors as well as increasing our monitoring of overflow discharge to storm storage in the area. This will continue at several sewage treatment works, pumping stations, and storm tanks over the next few years.</p> <p>We are using the data from our monitoring to help develop a more detailed investment plan which we will submit to our regulator, Ofwat, in October. This plan will include further information on planned investments to tackle outflows into the River Mole. This will be available in October, and we will be hosting a further 'your water, your say' session to hear your thoughts on how we propose to address your concerns.</p>
31. Charge huge amounts, no investment in infrastructure, pay huge regular dividends to shareholders, systems fail, sewage not treated dumped into rivers, ecosystems die but shareholders happy...well until climate damage so bad fresh water, fish, marine life destroyed. You should be applying pressure on Thames Water to clean up its act. It's investment plan over next 5 years is appalling insignificant. It's legal robbery to take the money and give to shareholders and do no work. oh and employ	<p>Our aim will always be to try and do the right thing for our rivers and for the communities who love and value them.</p> <p>We regard all discharges of untreated sewage as unacceptable and will work with the government, Ofwat and the Environment Agency to accelerate work to stop them being necessary and are determined to be transparent.</p>

Question	Response
<p>Thames Water CEO on a Golden Hello (whatever that is) for £5m! Fergal Shakey is right to be taking robbing water companies to task. That is my view for your meeting. Very happy to share on Insta and Twitter</p>	<p>Taking action to improve the health of rivers is a key focus for us and we want to lead the way with our transparent approach to data.</p> <p>We're the first company to provide live alerts for all untreated discharges throughout our region and this 'near real-time' data is available to customers as a map on our website and is also available through an open data platform for third parties, such as swimming and environmental groups, to use.</p> <p>Of course, what matters most is stopping the need for the discharges and we've committed £1.6 billion of investment in our sewage treatment works and sewers over the next two years</p> <p>Our shareholders are putting money into the business, not taking it out. They haven't taken a dividend for over 5 years and are underwriting a turnaround plan that will see us invest £2 billion more in the network than we will receive from bills. This year our shareholders have committed £500m of new equity.</p> <p>As we state in our annual report, Thames Water (Thames Water Utilities Limited) has paid no dividends to external shareholders for five consecutive years.</p> <p>The only dividends that have been distributed are internally, to Thames Water Utilities Holdings Limited (TWUHL) – Thames Water's immediate parent company – to service debt obligations and group related costs of other companies within the wider Kemble Water Group.</p> <p>Holding company debt is a well-established and well-regulated part of the water sector, ensuring operating companies can maximise investment in their networks.</p> <p>For Thames Water, this debt continues to play a vital role in ensuring we can continue to deliver on our eight-year turnaround plan, and we have a clear dividend policy that is regulated by Ofwat and aligned with our performance to service this debt. These regulations ensure that, unless Thames Water can meet Ofwat's expectations and deliver a reliable performance for our customers, we cannot distribute a dividend to service holdco debt.</p> <p>Furthermore, Thames Water's governance structure means that any dividend – irrespective of its purpose – must first be approved by the independent Thames Water Utilities Limited board.</p>

Question	Response
<p>32. I would like to know which measure has been taken to stop the flooding in these areas: Central Road under Worcester Park station Donnington Road The area covering the back of the houses in Lynwood Drive where the gardens between no's 57 to 75 were badly affected. There is a concrete tunnel into which Beverley Brook flows from the Scout Hut in Balmoral to Donnington Road .Was this tunnel damaged to cause the flooding into the gardens in Lynwood Drive ?</p> <p>Has this tunnel been checked with a camera to see if there was a blockage? I am sure that all the residents would be interested in your reply.</p>	<p>We are very sorry for any flooding you have experienced at your home and in your neighbourhood. We are aware of a severe flooding event in this area in 2021 due to some extreme storm conditions that happened locally. We have worked with the local council to understand the root causes of this flooding and develop a plan to address the issues and reduce the risk of properties being flooded going forward. Details of this investigation and the work we are doing collaboratively with the council can be found in the draft s.19 report: Worcester Park Section 19 Flood Investigation (sutton.gov.uk).</p> <p>We believe the tunnel you are referring to is a culvert that moves surface water from one section of Beverly Brook (Cuddington Recreation ground) to another (Central Road). Due to the nature of surface water, these culverts can become blocked by silt and debris, However to combat this we have now installed a pre grille which captures debris before the main grille. In addition, we have also changed the inlet to allow more flow into the culvert. Whilst we don't have any plans today to carry out any further CCTV Inspections as we believe this is not required due to the flows clearly evident through the culvert, we will continue to monitor the culvert on a regular basis (normally every two weeks during the autumn period) to ensure it is flowing freely and all is well.</p>
<p>33. I am chair of the Caterham Flood Action Group (FLAG), we represent repeat flood victims of Chaldon, Caterham on the Hill (LLFA - Surrey CC) and Old Coulsdon (LLFA - LB Croydon). We have expressed concern for many years about repeat foul flooding during rainfall in our steep sided valley and the discharge of contaminated surface water via deep bore soakaways to the aquifer in a GSPZ.</p> <p>Cumulative development here increases foul flooding putting residents at greater risk but also the potentially impacted the quality of our drinking water extracted locally at SES Kenley. I am also a resident, foul flood victim and a customer. I resent paying money to SES to forward to Thames Water to remove foul water safely yet when it rains effluent surrounds or fills our homes. I have complained to the CCW* but profits matter more to shareholders than resolving the problem, that cost money. It is disgusting that rivers of raw sewage are permitted to flow</p>	<p>Our recently published (May 2023) Drainage and Wastewater Management Plan (DWMP) is our long term plan that sets out how and what is needed to upgrade and maintain our wastewater assets over the next 25 years. This includes working in partnership with stakeholders such as South East Rivers Trust and Surrey County Council to co-design, co-fund, and co-deliver schemes with multiple benefits (including reducing flood risk, reducing pressure on wastewater system, protecting the environment).</p> <p>We have been a partner of the multi-agency programme board formed and led by Surrey County Council to fund, steer and agree a series of maintenance, capital, and community projects to reduce the risk and impacts of flooding in the Caterham Hill and Old Coulsdon catchment. This partnership has developed a forward looking plan taking into consideration a number of options, the sum of which will address foul and surface water flooding.</p>

Question	Response
<p>through the streets of Surrey into a London Borough in the 21st century. We need a collaboration holistic approach to managing the flood risk to protect the quality of our drinking water. SES participate in SERT CaBa meetings, will you be encouraging Thames Water to do the same, manage their assets to prevent hydraulic flooding and repeat pollution in a GSPZ?</p>	<p>In a recent conversation with Surrey County Council’s flood risk officers (6 June 2023), they raised their concern that the Caterham Hill as a community has had long-standing flooding and is a priority for them. We have committed to work with Surrey County Council to support schemes in three or four communities in Surrey. We will continue our engagement and collaboration with Surrey County Council as we develop these options, both technically and in terms of funding.</p>
<p>34. Briefly, water companies appear to make a huge amount of profit, and pay their senior employees massive salaries. Water companies are failing in their duty to those they serve i.e. the general public who pay their bills and expect the water company to do their best to conserve drinking water, clean wastewater, and not pollute. One of the main things that I want water companies to do is STOP polluting our beautiful rivers and beaches with the raw sewerage they are dumping. They need to put their profits and massive salaries and bonuses into improving the infrastructure in their water treatment plants and do the job they are supposed to do. I am pretty disgusted with the current situation.</p>	<p>The discharge of untreated sewage is unacceptable, and it’s understandable why the public are demanding more from water companies to do better. We recently announced our plans to invest £1.6bn in upgrading 250 of our sewer treatment works and network sites and are striving every day to reduce the discharge of untreated sewage into our rivers. At the beginning of the year, we published an online map providing close to real-time information about storm discharges from all of our 468 permitted locations and this continues to be updated with information on improvements being made across our region.</p> <p>Our senior team’s pay is benchmarked against other water companies and utilities in London and the southeast. We are committed to making progress in delivering our turnaround plan, leading to improving levels of service day-by-day for our customers and protecting the environment.</p> <p>With two severe weather events – the record summer temperatures/drought and the winter freeze-thaw – we have missed some of our performance targets, including leaks and customer service. The higher energy and chemical costs and surge in interest rates have hit our financial performance. Against this backdrop Sarah Bentley, our CEO and Alastair Cochran, our CFO, have made the personal decision to forego their bonuses.</p> <p>Our shareholders are putting money into the business, not taking it out. They haven’t taken a dividend for over 5 years and are underwriting a turnaround plan that will see us invest £2 billion more in the network than we will receive from our regulated allowance. This year our shareholders have committed £500m of new equity.</p>
<p>35. When will Thames Water carry out real stakeholder engagement? Having attended most Thames Water stakeholder events I can genuinely</p>	<p>We’re really sorry to hear your feedback, as working effectively with our stakeholders is very important to us and we work hard to do it in a way that</p>

Question	Response
<p>say, very little has been achieved and Thames Water continue to implement changes with zero regard to stakeholders.</p> <p>Having had the issue of failed appointments for many years by Thames Water, taken the matter to Ofwat for a view and then putting the matter back to Thames Water (see attached) – when can we expect to see a substantive response from Thames Water? This “fudging” of regulatory interpretation and data is impacting negatively on all other water companies who abide (to a large extent) to Guaranteed Standards.</p>	<p>reflects their needs. If there are specific improvements, you think we could make we are always open to and grateful for feedback and would be very happy to discuss that.</p> <p>Our engagement takes a range of forms, depending on the organisations we’re working with, but our guiding principles include being open and accessible, which means accepting invitations or requests to meet wherever we possibly can, and having a presumption that we will share information as long as it is not sensitive from a commercial or security perspective.</p> <p>We engage in a range of ways, including:</p> <ul style="list-style-type: none"> • Meeting with elected representatives and government officials about both operational and policy issues. • Attending select committee hearings and scrutiny meetings to answer questions about what we are doing. • Speaking with community and environment groups – particularly about river health, which is a topic of such interest and concern at the moment. • Hosting site visits to show, for example, how our sewage treatment works operate and explain improvements we are making. <p>We’ve made very significant changes in the way we work with stakeholders to develop closer relationships and operate in a more open way, including through our Smarter Water Catchments programme. This has involved working in close partnership with stakeholders to co-create collaborative ten-year plans to improve three river catchments – and to develop an approach we intend to roll out more widely throughout region.</p> <p>We also engage and consult formally on our future plans, including our long term water and waste water plans, which make clear in the most open way we can what feedback we’ve received and how we’ve accounted for it in the plans we take forward. This is in addition to speaking with local communities about specific projects in their areas, where we can adapt what we do in response to what they say.</p> <p>A meeting has been arranged for 1 June between the customer who raised these important concerns and members of the Thames Water leadership including Sarah Bentley, CEO and David Bird, Retail Director.</p>

Question	Response
	<p>If a response is available following this meeting and prior to the publication of this written report, we will update it accordingly.</p> <p>If a response cannot be included by the deadline, it will form part of our business plan submission in October 2023.</p>
<p>36. The fact that primary schools in London are being set up with water fountains for the kids, makes me wonder about where is the water from? Where do you pump the water from? For the children’s water? How do you guarantee the water is of good quality?</p>	<p>The water provided through our water fountains is the same high quality drinking water supplied to all households and businesses in our area.</p> <p>Our water must comply with drinking water standards and is subject to (thousands) of water quality tests every year.</p>
<p>37. As a consumer and not an expert, the water companies are doing untold damage to the environment every time it rains. This leads to gutter/road/surface drainage water mixing into sewage water and overwhelming the capacity of sewage works causing routine spills into our environment.</p> <p>At the same time, there is a shortage of drinking-quality water due to population growth and lack of storage facilities. There seems to be a massive benefit in separating the Gutter/road/surface drainage from the household sewage and diverting the relatively clean water to (local) water treatment and storage facilities to be re-used in water main supplies. I can see that this would be a massive undertaking if attempted on a national basis, so the key seems to be to break it down into local projects.</p> <p>Question is: Is this technically feasible?</p> <p>Are new home construction projects required to separate these flows, and to prove a local treatment/storage works that can recycle treated water back into the water mains?</p> <p>Would it be possible to upgrade local neighbourhoods progressively on an area-by-area basis, to provide local treatment/storage works?</p>	<p>To aid our ability to fully address your question, we have broken it down as follows:</p> <p>“Is it technically feasible to</p> <ol style="list-style-type: none"> 1. separate the Gutter/road/surface drainage from the household sewage; 2. diverting the relatively clean water to (local) water treatment and storage facilities; 3. to be re-used; 4. in water main supplies. <p>Is this technically feasible?</p> <p>Step 1 is feasible. We are able to separate foul and surface water . This should be the default drainage arrangement in many areas of our region with the exception of central London which has a Victorian combined sewer system.</p> <p>Step 2, diverting surface water to storage areas, is also technically feasible. Sustainable Urban Drainage Schemes (SuDS) are a good example of this which can provide natural treatment through filtration/settlement.</p> <p>Step 3 is technically feasible, we are able to reuse surface water, for example the water captured in water butts for reuse in gardens or captured in a green roof which provides insulation/cooling to buildings. Reusing surface water runoff from roofs and road (referred to as rainwater harvesting or stormwater harvesting) can be done and is currently being applied (at a small scale in the UK currently) for non-potable uses (i.e., use in gardens,</p>

Question	Response
<p>How long would it take to achieve say 50% and then 80% of households with separated flows?</p>	<p>flushing toilets, etc) as the treatment requirements are less, however this is only done in locations where a non-potable water network supply has been installed. Currently the norm is to return surface water runoff back to the environment as close to source (i.e., where rain lands) as possible, either via infiltration to the ground or direct to a waterbody (i.e. river, stream, pond, etc).</p> <p>Reuse for human consumption (drinking) is feasible but not viable for reasons explained below. Reuse as greywater is more viable, and requires retrofit of a 3rd water pipe network into existing homes to plumb in the greywater for flushing toilets, washing cars, etc.</p> <p>Step 4 is more complicated for several reasons, for example there are strict regulations and stringent standards set by our regulators on drinking water quality and the treatment processes it must be subject to. Due to contaminants contained in road runoff (e.g., sediment, organic matter, nutrients, toxic chemicals, microplastics from vehicle tyres, oil and grease, hydrocarbons, and heavy metals) this would require more treatment processes to be installed at the site in question, making the treatment process more expensive and energy intensive.</p> <p>Are new home construction projects:</p> <ol style="list-style-type: none"> 1. required to separate these flows, and 2. to prove a local treatment/storage works that can recycle treated water back into the water mains? <p>Point 1: Yes, but not consistently. Currently the requirement to manage surface water for new developments is enforced by Local Planning Authorities. The government announced earlier this year it would be reviewing a Schedule of the Flood and Water Management Act that will make sustainable drainage (drainage that separates and manages surface water) mandatory for new developments: https://www.newcivilengineer.com/sponsored/englands-adoption-of-schedule-3-is-a-watershed-moment-17-04-2023/</p> <p>Point 2: There is no legal requirement for new developments to install treatment processes to recycle water back into mains. There are current ongoing research projects that are looking into the viability of this by working</p>

Question	Response
	<p>across industry with water companies and developers. (Enabling Water Smart Communities: https://ewsc.org.uk/)</p> <p>Would it be possible to upgrade local neighbourhoods progressively on an area-by-area basis, to provide local treatment/storage works?</p> <p>Whilst it would technically be possible, retrofitting this type of treatment and storage infrastructure would be excessively costly for the benefit it would provide, and would also require large areas of land. This would also take runoff that would normally drain into local watercourses and so could have secondary negative impact by reducing flows in the watercourses.</p> <p>How long would it take to achieve say 50% and then 80% of households with separated flows?</p> <p>This is not a straightforward answer as the baseline situation varies across our region, for example in Thames Valley households should typically drain surface water via infiltration, or to a dedicated public surface water sewer that drains to a watercourse. But in some areas in Thames Valley, a surface water sewer may not exist and historically households connect their surface water to the foul only sewer. In London, large parts are served by a combined sewer network.</p> <p>Another reason this question is difficult to answer is presently, we do not know the current drainage arrangement for all properties, though we are doing work to improve our information and tackle misconnections in the process.</p>
<p>38. As you know thousands of people use the river Thames for water sports and recreation and this is especially the case in our borough in Richmond upon Thames. We welcome Thames Water publishing data about storm overflows/real time sewage discharges, but it can still be hard to know if the water is safe to swim in. What plans does Thames Water have to improve water quality and help people safely enjoy the benefits of our blue open spaces?</p>	<p>There are many causes for the current problems the River Thames faces. The Environment Agency has assessed that we're responsible for about one third of the problems, which is more than any other sector. It will take time, collaboration, and sustained investment to make the improvements we all want to see, but as the single biggest contributor to poor river water quality in the Thames basin, we must take a leading role in addressing the problems, and not just those for which we're directly responsible.</p> <p>We've committed to achieving at least a 50% reduction in the total annual duration of untreated discharges by 2030, and within that an 80% reduction in sensitive catchments, against a 2020 baseline. Our ultimate aim is to eliminate all storm overflows, but this is a long-term aspiration.</p>

Question	Response
	<p>Our absolute priority is to ensure that all our sites are 100% legally compliant with all aspects of their permits, which are issued by the Environment Agency to ensure that river water quality is of an acceptably high standard. In addition, we need to make a big reduction in the number of damaging pollution incidents that occur because of blockages in our sewers or equipment failure at our sewage pumping stations or treatment works (STWs). Actions being taken in this regard are identified within our River Health Report and our pollution incident reduction plan (PIRP).</p> <p>We're investing record sums in upgrading our sewer systems and treatment works and are striving every day to reduce the discharge of untreated sewage into our rivers. Over the next two years, we'll invest £1.12 billion on our sewage treatment plants, including £650 million on enhancing and upgrading over 135 existing sites to improve resilience and provide additional capacity. Over the same period, we'll spend a further £470 million on the wider sewer network.</p> <p>The Thames Tideway Tunnel is on track to be completed by 2025. With an investment of £4.6 billion, it represents the largest and most significant wastewater project since Sir Joseph Bazalgette created London's sewage system in the 1860s. The tunnel will prevent millions of tonnes of untreated sewage, mixed with rainwater, from entering the tidal reaches of the River Thames via storm overflows each year. Most importantly, it will dramatically improve the water quality of the River Thames by reducing the total volume of discharges by 95% in a typical year.</p> <p>While it would be difficult for us to ever make claims of rivers being safe to swim in due to other external factors, not least other sources of bacteria, we are working closely with stakeholders who are interested in developing new river bathing waters. We are part of the Oxford Rivers Project which successfully applied for a bathing water on the Wolvercote Mill Stream in Oxford. Our aim is now to understand and improve the inputs leading to its current 'poor' status. Where there is evidence of customer, landowner and local authority support we are also working with community groups who are exploring new areas for possible bathing water designation via the DEFRA application process.</p>
<p>39. I am in total disgust and dissatisfaction at the bill I received yesterday and what I am now learning about Thames Water. Your "business" has</p>	<p>Our charges are subject to change based on inflation, which this year has been affected by energy price rises, and adjustments for meeting past</p>

Question	Response
<p>been at top of the polluter's chart, the top of the dividend pay-outs list, and your own salary, particularly with the £722,000 "golden hello", must surely be at the top of any salary scale in the country, let alone for any public utility "business", or any actually life sustaining service provider, i.e., a water company. It seems Thames Water has come to represent everything that is wrong, unethical, disgusting (physically as well as philosophically) about the modern British corporation.: Polluting our water ways, while fat cat executives rake in fat salaries, and simultaneously pay out SIXTY BILLION to shareholders, and then wasting hundreds of millions (or more??) on a pathetically obvious attempt to persuade us, your "customers" that you're the nice guys and are "fixing leaks" and divert attention from your absolutely unacceptable performance and greed. For your own benefit, stop insulting us with this pathetic TV ad campaign, sack whoever advised you to waste the money on it, cut your own salary, stop spending money on social media (which if you read you would not need a customer feedback day), raise investment from your shareholders and sort the infrastructure so you stop polluting our water, and so that we the bill payers are not funding it for you. Grow a conscience and make those hard decisions, do the right thing, reverse the frankly risible Ofwat RPI allowance (when on earth was inflation at 11.4% anyway???) and stop expecting hard up families (of whom you are clearly not one) in the worst cost of living crisis ever to pay for it all for you. I have had no acknowledgement of my complaint below. Please do me the service as a "customer" of acknowledging it.</p> <p>Yours utterly dissatisfied, Mr N Coode</p>	<p>regulatory performance targets for our water services. Our typical bills increased by 11.7% on average for the billing period 2023-2024. The average bill for 2023-24 will be £456, up from £417 in 2022-23: a 9.35% increase.</p> <p>While bills have increased, we recognise that we need to continue to improve overall customer experience and are committed to turning around our performance and as well as continuing to help customers through our financial support schemes of which the total value of support is forecast at over £110m in 2023-24 and combined with 2024-25 will exceed £240m. This includes:</p> <ul style="list-style-type: none"> • From April an additional 53,000 households will receive financial help to pay their water bill, taking the total number to 384,000 households. • We've made eligibility changes to our 'Water Help' social tariff so more customers can access financial support. • Households earning below £17,005 in the Thames Valley or £21,749 in London boroughs are eligible for a 50 per cent bill reduction. • Our Thames Water Extra Care team is on hand to advise customers of their options and can help them make the best decisions for them regarding their bill. • Our independent Thames Water Trust Fund, which is funded by the company's shareholders, provides grants to third sector organisations, such as Citizens Advice Bureau, who offer Thames Water customers long-term support and free debt advice. • The fund also provides grants for essential household goods, including washing machines, fridges and beds, to customers whose long-term circumstances suggest they will not be able to afford these items. <p>Our senior team's pay is benchmarked against other water companies and utilities in London and the southeast. We are committed to making progress</p>

Question	Response
	<p>in delivering our turnaround plan, leading to improving levels of service day-by-day for our customers and protecting the environment.</p> <p>With two severe weather events – the record summer temperatures/drought and the winter freeze-thaw – we have missed some of our performance targets, including leaks and customer service. The higher energy and chemical costs and surge in interest rates have hit our financial performance. Against this backdrop Sarah Bentley, our CEO and Alastair Cochran, our CFO, have made the personal decision to forego their bonuses.</p> <p>Our shareholders are putting money into the business, not taking it out. They haven't taken a dividend for over 5 years and are underwriting a turnaround plan that will see us invest £2 billion more in the network than we will receive from bills. This year our shareholders have committed £500m of new equity.</p> <p>We run advertising campaigns to communicate with our customers, ranging from encouraging them to use water wisely to not flushing the wrong things down the loo. We are committed to making progress in delivering our turnaround plan, leading to improving levels of service day-by-day for our customers and protecting the environment. Our recent advertising campaigns aim to demonstrate to customers how we are listening to their concerns, prioritising investment, and taking action to provide a better service.</p> <p>The discharge of untreated sewage is unacceptable, and it's understandable why the public are demanding more from water companies to do better. We recently announced our plans to invest £1.6bn in upgrading 250 of our sewer treatment works and network sites and are striving every day to reduce the discharge of untreated sewage into our rivers.</p> <p>At the beginning of the year, we published an online map providing close to real-time information about storm discharges from all of our 468 permitted locations and this continues to be updated with information on improvements being made across our region.</p> <p>We're committed to making our pipes fit for the next 100 years. We are investing millions to upgrade our Victorian infrastructure, bringing it up to date for the 21st century. Ofwat, the water industry economic regulator, has</p>

Question	Response
	<p>approved £300m for us to improve the performance of our water service in London. Thames Water shareholders have also matched this, committing £300m to water improvement works in London, Thames Valley and the Home Counties. Work is now underway to replace 112km (70 miles) of water distribution mains and seven large trunk mains across the city. The investment will reduce leaks across London and once upgrades are complete will save around 11 Olympic swimming pools worth of water every day.</p>
<p>40. Having just received a revised bill from you, I am writing to complain about the price rise that you have forced on us. It is absolutely disgusting and abhorrent that Thames Water can get away with flushing raw sewage into our streams and rivers, and then have the temerity to use the absolute highest CPI rate available to levy the absolute maximum Ofwat will allow, during a cost of living crisis the likes of which we have never seen, and which is very much a reality for every day working families like mine. You could have saved hundreds of millions on the pathetically transparent PR face saving attempt "fixing a leak" TV ad campaign, instead you are taking the piss. I want to change supplier, but cannot, and am so stuck with the most greedy, filthy corporation I have ever heard of, and had the misfortune to be left without alternative to. Yours disgusted at the bare faced greed and hypocrisy,</p>	<p>Our charges are subject to change based on inflation, which this year has been affected by energy price rises, and adjustments for meeting past regulatory performance targets for our water services. Our typical bills increased by 11.7% on average for the billing period 2023-2024. Average bill for 2023-24 will be £456, up from £417 in 2022-23: A 9.35% increase. We expect our bills to increase by about £100 by 2030.</p> <p>While bills have increased, we recognise that we need to continue to improve overall customer experience and are committed to turning around our performance and as well as continuing to help customers through our financial support schemes of which the total value of support is forecast at over £110m in 2023-24 and combined with 2024-25 will exceed £240m. This includes:</p> <ul style="list-style-type: none"> • From April an additional 53,000 households will receive financial help to pay their water bill, taking the total number to 384,000 households. • We've made eligibility changes to our 'Water Help' social tariff so more customers can access financial support. • Households earning below £17,005 in the Thames Valley or £21,749 in London boroughs are eligible for a 50 per cent bill reduction. • Our Thames Water Extra Care team is on hand to advise customers of their options and can help them make the best decisions for them regarding their bill. • Our independent Thames Water Trust Fund, which is funded by the company's shareholders, provides grants to third sector

Question	Response
	<p>organisations, such as Citizens Advice Bureau, who offer Thames Water customers long-term support and free debt advice.</p> <ul style="list-style-type: none"> • The fund also provides grants for essential household goods, including washing machines, fridges and beds, to customers whose long-term circumstances suggest they will not be able to afford these items. <p>We run advertising campaigns to communicate with our customers, ranging from encouraging them to use water wisely to not flushing the wrong things down the loo. We are committed to making progress in delivering our turnaround plan, leading to improving levels of service day-by-day for our customers and protecting the environment. Our recent advertising campaigns aim to demonstrate to customers how we are listening to their concerns, prioritising investment, and taking action to provide a better service.</p> <p>The discharge of untreated sewage is unacceptable, and it's understandable why the public are demanding more from water companies to do better. We recently announced our plans to invest £1.6bn in upgrading 250 of our sewer treatment works and network sites and are striving every day to reduce the discharge of untreated sewage into our rivers. At the beginning of the year, we published an online map providing close to real-time information about storm discharges from all of our 468 permitted locations and this continues to be updated with information on improvements being made across our region.</p>
<p>41. In a 1976 paper published in Nature by two Met Office scientists, they stated that rainfall in England and Wales in the period from May 1975 to August 1976 was the driest since records began in 1717. The two meteorologists viewed all this as constituting a once-in-500-year occurrence which is what Thames Water claim their reservoir proposal of 100Mm³ will solve at a flow rate of 2.09m³/sec. But will it? The demand for water in normal times averages 30m³/sec so taking into consideration the existing reservoir capacity of 200Mm³, Thames capacity increases from 4.18 to just 6.27m³/sec. However, in the period of this drought, the Severn River had a flow rate 14 times that of the</p>	<p>We have a requirement under Sections 37A-D of the Water Industry Act 1991 to produce a Water Resources Management Plan which complies with the requirements of the Water Resources Planning Guideline. To comply with the Water Resources Planning Guideline, we must present an investment plan in which we demonstrate how we will ensure a robust supply of water during drought periods. Not investing in order to 'cut our coat according to the cloth available' thus does not align with the requirement of the Water Resources Planning Guideline.</p> <p>In our water resources planning we compare the supply of water available during a drought with anticipated demand for water during a drought; where there is a gap between demand and supply (a supply-demand balance</p>

Question	Response
<p>Thames (an exceedance rate of Q73% against Thames Q97%). When you consider the fines, £51m in the last 4 years accompanied by excoriating remarks by Crown Court judges, the far bigger sum spent unsuccessfully to get permission to build this reservoir, you would have to conclude that Thames should cut its coat according to the cloth available</p>	<p>deficit), we ensure that supply-demand balance gaps are filled with options (which either involve reducing demand or increasing supplies). This is described clearly in our Water Resources Management Plan.</p> <p>Thames Water's existing reservoir capacity of c. 200,000 MI does not deliver a Deployable Output (the reliable output of a source of water) of 4.18 m³/s (361.2 MI/d) as there is a non-linear relationship between total storage volume and supply capability. Our Water Resources Management Plan explains the supply-demand balance trajectory which we forecast.</p> <p>When assessing and comparing different water resources options, we use stochastic weather datasets to assess the Deployable Output benefit of each option. Robust methods which meet the requirements of the Water Resources Planning Guideline are applied for both reservoir options and Severn Thames Transfer options, and we calculate the additional Deployable Output that could be delivered during a 1 in 500-year event. Referring back to 1976 as the only feasible 1 in 500-year event is not representative. During drought events there is a very significant chance that flows in the Severn and Thames will be very low and in the drought event of 2022 our calculations show that an unsupported Severn Thames Transfer would only have been able to deliver an average of 7 MI/d (0.08m³/s) across the summer.</p>
<p>42. I found the discussion about the proposed Richmond/Teddington abstraction and links to Mogden sewage treatment works somewhat confusing. Presumably the total volume discharged from Mogden will be the same with or without the scheme, but you are proposing additional sewage treatment either so that the water in the Thames meets certain requirements for an abstraction source or because treating the sewage is cheaper than having additional treatment of the abstracted water to make it potable. The water quality downstream of the treatment works should therefore be improved. This whole argument could be made much clearer.</p> <p>The company argued that shareholders were making investments and foregoing dividends to fund the shortfall of infrastructure development</p>	<p>Correct. The treated wastewater effluent from Mogden Sewage Treatment Works (STW) would have an extra stage of treatment (tertiary) at a new plant on the existing Modgen STW site. The extra treatment is required to meet environmental consents, as the water would be discharged into the non-tidal section of the river i.e., above Teddington Weir.</p> <p>As the Teddington scheme proposes discharging recycled water into the freshwater section of the River Thames upstream of Teddington Weir, this requires a greater level of treatment than would be required if the water were to be discharged into the tidal section of the River Thames, downstream of Teddington Weir. Hence this requires the construction of the new treatment facility at the Mogden STW site.</p> <p>The Teddington Scheme does not increase the overall volume discharged from Mogden, but it does increase the volume of tertiary treated effluent, therefore improving the river water quality in this section of the River.</p>

Question	Response
<p>that had resulted from previous profit taking from the company. It would be good to see this properly set out in a long term balance sheet.</p> <p>From the concluding remarks of the meeting I understood that such supplementary points and the company's response would be included in the meeting report. This did not happen with the previous SES meeting; will that be the case this time?</p>	
<p>43. Have you or will you be engaging with stakeholders in your region to develop a consumer vulnerability strategy outlining how you will deliver inclusive accessible services and protect customers and communities for 2025-30? When will this be published and how will it be updated?</p>	<p>We value the partnerships we have across statutory bodies, charities and community groups to ensure our strategy for serving customers in vulnerable circumstances is relevant, meets the needs of consumers and is focused on meaningful solutions that make a difference to the people we serve together.</p> <p>We hold annual events for our Vulnerability Network and through our Annual Stakeholder Meeting, in addition to regular consultation for specific issues, such as developing propositions in response to the cost-of-living crisis. Our plans for PR24 have been challenged through our Customer Challenge Group.</p> <p>We will be playing back this engagement by sharing our draft vulnerability strategy with partners this summer to ensure any feedback is collated. Our plans are reviewed on an annual basis and shared at our Vulnerability Network.</p> <p>Where relevant we use industry recognised suppliers to keep us true to our customers like Sign Video for our British Sign Language proposition, and we pilot any new propositions like this with lived experience groups to ensure our services work appropriately for the customers that need to use it. For example, an employee who uses BSL tested the service across all phone lines before launch and then for 3 months after to trouble shoot and make recommendations for change.</p> <p>We have adopted the 'Inclusive Design' principles into our change processes so our customer communications like bills and leaflets consider the wide spectrum of needs of all our customers.</p>

Question	Response
<p>44. How do you see consumer vulnerability in your area changing in the next 5-15 years and what impact has that had on your business plan proposals and strategy?</p>	<p>While the inflation rates causing the cost-of-living crisis are forecast to reduce by 2024 there will continue to be challenges in supporting customers who are struggling to pay. While the inflation impacting household costs may have stabilised by AMP8 supporting customers with debt will become the growing challenge. The global financial crisis of 2009 saw debt in the water sector only start to reduce seven years later.</p> <p>The cost-of-living crisis will be the most significant driver of financial vulnerability in people’s lives. Affordability issues will impact health, with half of UK adults already reporting an impact on their health due to the crisis either through stress, or the health impact of compromising on spending on food and heating.</p> <p>Climate change is making our weather patterns more extreme which means already vulnerable customers are put at more risk – therefore our inclusive services need to reach more people more often.</p> <p>We are living longer lives, but not necessarily with higher quality, with the population of over 85-year-olds set to double by 2040 to 4% of the population , meaning greater need for Priority Services support.</p>
<p>45. Climate change is resulting in increased extreme weather events including drought, heatwaves, increased water supply interruptions. How will you proactively help your domestic customers and small high water dependent businesses to prepare to be more resilient to these changes so their negative impacts are lessened or prevented?</p>	<p>We have been delivering the UK’s largest water efficiency programme since 2015, in parallel with a compulsory metering installation programme. To date we have conducted more the 320,000 in-home water efficiency visits which have helped customers reduce their average daily water use by 10%, through the installation of free water saving devices, personalised behaviour change advice and fixing their internal leaks for free. We have also completed over 13k water efficiency visits to businesses in London and Thames Valley, helping them fix leaky-loos and uncontrolled urinals. These initiatives have been using smart meter data to identify leaks and help register families in need of Priority Services assistance.</p> <p>To date we’ve installed over 850,000 smart water meters, giving customers access to their consumption information through their online account. Our smart meters are helping customers and our own teams to identify leaks, enabling for a faster leak fix. We will reach one million smart meters by 2025 and two million by 2030. We know that metered customers use less water and reduced demand by 13%. We are in the process of developing</p>

Question	Response
	<p>enhanced digital engagement tools that will proactively give customers more information about saving water.</p> <p>Government have confirmed that the national target for Per Capita Consumption (PCC) of 110 should be applied at company-level. Our revised Water Resource Management Plan will confirm our intentions to achieve the Government' new water targets, including a 9% reduction in business water demand by 2038 and a reduction in Per Capita Consumption (PCC) to the target of 110 litres/person/day by 2050. Our efforts on smart metering, water efficiency and customer engagement, as well as government support, will be key contributors to this overall 110 target agenda.</p> <p>We are developing plans to pilot and introduce new innovative tariffs to both domestic and commercial customers in the future. Our ambition is to increase the protection for vulnerable customers and incentivise water efficient practices, saving more water to better protect our local environment.</p> <p>We have recently launched an industry first Environmental Incentive for developers, offering financial incentives to embed water efficiency fittings, water reuse technologies (RWH/GWR) and deliver 'water neutrality' for any new housing development in our supply area. This incentive model is being promoted to developers, planning authorities and regulators. We have also worked closely with Defra and other government areas, on efforts to strengthen future Building Regulations, so that water reuse technologies and requirements become business as usual.</p>
<p>46. Increasing numbers of people are swimming in open water and participating in water-based recreation. Some companies are publishing where they are discharging sewage into rivers and seas, but it is hard to interpret what this data means i.e., is the water safe to swim in?</p> <p>Other companies are training staff and communities about water safety. How have you helped promote water safety for your consumers and employees and how do you propose to do this in your 2025-30 business plan so we can safely swim and play in our rivers and seas?</p>	<p>We are being transparent about our discharges, particularly in areas of recreational use. We successfully trialled real-time alerts of sewage discharges from six of our sites around Oxford.</p> <p>At the beginning of the year, we published an online map providing close to real-time information about storm discharges from all of our 468 permitted locations and this continues to be updated with information on improvements being made across our region.</p> <p>Although we regard any discharge of untreated sewage as unacceptable, and are working hard to make them unnecessary, this will take time. The overflows are designed to operate automatically when the sewer network</p>

Question	Response
	<p>and sewage works are about to be overwhelmed and release diluted wastewater into rivers rather than letting it back up into people's homes. It is the way the system is designed to operate.</p> <p>We know that many people enjoy using local rivers recreationally from kayaking and canoeing to fishing and open water swimming. Last April (2022), we welcomed the first river to be designated bathing water in our region. We are a member of the Oxford Rivers Project which made the application for Designated Bathing Water Status at Wolvercote Mill Stream. We supported the application through water quality monitoring of the River Thames and sample analysis at its laboratories. We'll continue to work with our partners to understand what more needs to be done to ensure consistently good water quality in the Thames.</p> <p>With regards to water safety, our reservoirs do not have access to swimming due to their design and to support access to water for leisure our charities committee provides grant funding to charities/NGOs who help communities get on, near or into the water. In in 2022-23 we funded a sensory water garden at a special needs school, a pool cover to safeguard residents at an autism education and care facility, funding towards a new dinghy at a N London sailing club, state school rowing programmes in Fulham and Reading and an accessible boat trip in NE London</p> <p>This financial year we have approved funding for swimming lessons for children with a focus on those with aquaphobia from age 3 -15 in London. A sea scout group in in S London with 150 members supported to allow more children in the group to undertake water activities on the Thames. The group supports young people from underprivileged households in Lambeth giving them access to water sports.</p> <p>In addition, a few years ago we supported the then Mayor of London, Boris Johnson with his Make a Splash learn to swim programme which brought temporary pools to 38 venues across London, the programme helped more than 37,000 Londoners learn to swim and benefited children from ethnic minorities, with 80 per cent of school programme users from non-white backgrounds.</p>

Question	Response
<p>47. How far are you thinking about engaging younger people/future generations in your business plans and long-term thinking?</p>	<p>To help us develop our business plan and long-term thinking we run a customer engagement programme which has given us a comprehensive understanding of the diversity of customers’ and communities’ needs, priorities, and concerns. This engagement programme includes the views of both current and future customers.</p>
<p>48. Can you provide examples of where you have genuinely co-created solutions with your local communities, customers, and wider stakeholders to improve service design and support the environment?</p>	<p>Through our community investment programme we deliver projects and programmes in partnership with the community and stakeholders, a summary of activity from the five year regulatory period from 2015 to 2020 can be found here: community-investment-programme-summary.pdf (thameswater.co.uk).</p> <p>We continue to work closely with communities, for example through our Smarter Water Catchments, which rely on the collaborative work of multiple stakeholder and local community groups. Information on our current Smarter Water Catchment programmes can be found here:</p> <p>Catchment management Responsibility About us Thames Water</p>
<p>49. How does your public purpose influence your business plan proposals in terms of where you go above and beyond core water business services? How are you planning on supporting citizens rather than just customers during the next AMP?</p>	<p>At Thames Water we are led by our Purpose, to deliver life’s essential service, so our customers, communities and the environment can thrive. We recognise that as a provider of life’s essential service we can be a force for good within the local communities we serve. We already do this today, for example through our schools and education programme or by allowing public access to our nature reserves. In our plans for 2025-2030 there are lots of ways we are continuing to deliver this wider remit whether this is through our People Strategy where we want to recruit and upskill people in the local community through to targeting how we reduce the impact of roadworks through greater collaboration with local authorities and other utility providers.</p> <p>We are conscious that our operations impact customers and the environment and so work hard to reduce the impact and enhance where possible. For example, we are increasing our collaborative work with other utility providers to coordinate our activities and therefore minimise disruption to customers. We are also engaging with customers more and increasing our community investment programme, working with variety of organisations including environmental NGOs and local charities who will deliver a suite of projects across the region that directly benefit communities. Additionally for</p>

Question	Response
	over 25 years we have delivered our Site Enhancement for Biodiversity and Access programme to improve our landholding for both nature and people and drive biodiversity, a key challenge globally and one that is important to our customers.