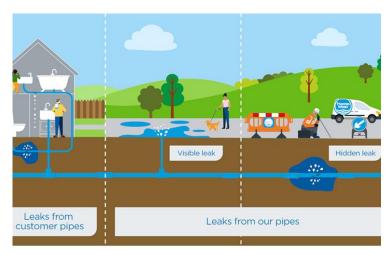


Our Leakage Performance



Reducing Leakage

Reducing leakage is an important part of protecting our water supply for the future. It is essential that we continue to deliver life's essential service so our customers, communities and the environment can thrive.



What is Leakage?

- Leakage is lost water that's all the water not making its way
 to our customers. Water leaks from ageing pipes or pipes that
 have been damaged on our network. Water is also lost on our
 customers' pipes and through unmeasured consumption
 (46% of billed customers are unmeasured with 17% of
 individual customers having smart meters)
- We measure leakage in megalitres, or millions of litres, per day (MI/d). One megalitre is equal to around 12,500 baths, or 40% of an Olympic size swimming pool.

What causes Leaks?

- Old or weak pipes
- Natural wear and tear on pipes
- Sudden heavy traffic causing ground movement
- Temperature changes, which cause pipes to swell and shrink
- High pressure or sudden changes in pressure
- Weather particular very hot or cold conditions.

Types of Leaks

- Over 95% of leaks are never seen by our customers. They're often small, underground, and hard to find. Visible leaks the ones that do reach the surface are larger, but they don't normally lose as much water. Our field teams work day and night to find as many leaks as possible. We also use artificial intelligence to help us find and fix large leaks faster. Our customers help too. They often report leaks to us and we start to fix them soon after they appear
- Customer leaks aren't on our network, and it is the customers responsibility to fix these. You can read our step-by-step guide on <u>fixing a leak at your property</u>.

You can read about our <u>wider plans to look after water.</u>



How do we fix leaks?

Here's our process

Locate

We'll find a leak, or it'll be reported to us (Report a leak).



Assess

One of our leakage teams will check what needs to be done to fix the leak and how urgent it is. We prioritise repairs based on the amount of water being lost, the effect on customers' water supply, the complexity, and the location.



Plan

We'll always plan the repair as quickly as possible, and in a way that seeks to minimise disruption to our customers. We'll also send letters to customers near the site, so they know what's going on. However, it's not just us who are involved in the process, and it can take time to plan the logistics.

We may need to work with the council or with other utilities.

Sometimes we need to do the repair at night. Closing roads at night helps us to minimise traffic disruption and water supplies during the day.

Repair

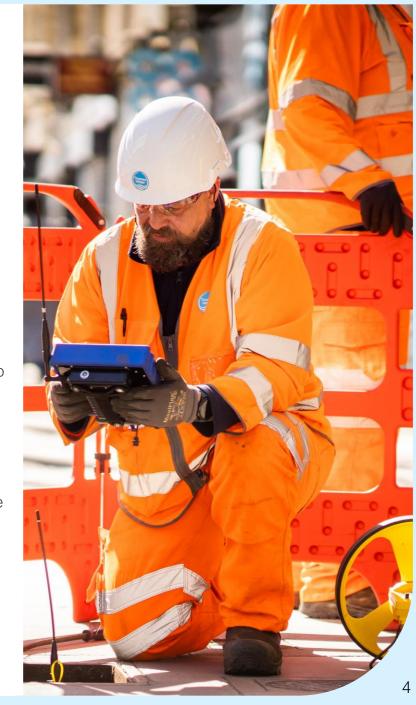
Once the plan is in place, we'll send a repair team to fix the leak. This might involve turning off the water or redirecting water around other pipes. Sometimes the repair teams need to dig down to the pipe by hand to be safe, particularly if it's in a tricky position and surrounded by other utility pipes like gas mains. When the pipe has been fixed, we resurface the road which can take time to set safely.

Leakage

Facts and Stats

How we're doing

- We delivered a 13.2% leakage reduction against our regulatory target of 20.5%, based on a three-year rolling average, over the period 2020 to 2025 (AMP7)
- Although we did not achieve this ambitious regulatory target, leakage is now at its lowest ever level on our network
- We have made clear progress in terms of leakage performance, strategy and oversight which will continue as we move into AMP8 (2025 to 2030)
- We have changed how we 'Find and Fix' leaks. We've moved away from focusing on the number of leaks fixed to finding and repairing the biggest leaks. We grade leaks on the volume of water lost helping us to focus on repairing larger leaks more quickly
- We are bringing forward investment in mains replacement and pressure management and have an ambition to increase our acoustic loggers, which can detect leaks remotely, from 21,000 to 102,000 by 2030
- So far, in 2025/26, leakage performance is better than our target in London. Thames Valley remains a challenge due to high levels of demand through a very hot and dry period, with soil moisture deficit levels at record high levels for the first four months of the financial year
- To mitigate against the impact of this we have increased the levels of detection resource in Thames Valley by 43%, when comparing to 12 months ago. We are also actively moving repair resource from London to Thames Valley to deal with the high levels of incoming work, whilst also looking to increase the number of repair teams dedicated within the Thames Valley region.



What are we doing to reduce leakage further?

Over the next five years (AMP8) we will continue to manage leakage, end-to-end, through our PALM framework, in line with industry good practice.

Our Leakage transformation programme

We'll keep following our Leakage Transformation programme over AMP8

- Our Prevent Aware Locate and Mend ('PALM') strategy continues to improve our operational ways of working, focusing on fixing larger leaks sooner. This year, we've repaired or replaced more district meters, deployed additional monitoring and better alarm response and continued analysis to identify particular District Metering Areas ('DMAs') with poor performance to enable localised action plans. Within the Prevent workstream of PALM, our pressure management and calm systems initiatives have been particularly effective at reducing leakage by reducing asset stress
- To do this, we've brought forward greater investments than ever before in the maintenance and renewal of our assets to prevent leakage through mains replacement and pressure management, as well as deploying more than one million additional smart meters to increase our understanding of water usage and improve our targeting of leakage interventions.



Innovation

- To support our ongoing commitment to reduce leakage we have been looking at new ways to repair and detect leaks
- Continued focus on driving innovation such as Origin No-Dig solution, a self-sealing compound for customer pipes.

PALM – The focus of our Turnaround Plan

- Prevent is the proactive work we do every day to improve our network like mains replacement
 & pressure management
- Aware is all about understanding our data
- Locate is how we target leaks
- Mend is fixing our leaks in line with Service Level. Agreements which are based on the expected size of the leak.



Reducing leakage

How can you help?

- You can help us find leaks and save water. If you spot a leak, please
 let us know through our view and report a problem page on our
 website
- You can also prevent leaks in your home by <u>being 'water smart'</u>
- You can also read our guide on <u>fixing a leak at your property</u>. If you need help with plumbing work, we have a range of WaterSafe approved plumbers available
- We've also put together some <u>Water saving</u> tips to save water
- Please <u>get in touch</u> to share your feedback on the content of this report or to discuss how we may be able to make this report more accessible for you.



