

To provide great water for a stronger, greener and healthier Merseyside

Summary of the event



United Utilities is developing its business plan for 2025-30 and we want our customers and stakeholders to have their say on how we shape those plans.

We recently held a 'Your water, your say' online open challenge session on 28 June 2023 and invited household customers, businesses as well as those representing regional and national interest groups to attend.

The session is part of the Price Review process known as PR24. It is designed to enable people in Merseyside to hear about our proposed draft plan, including the challenges we are facing as a sector and the different ways we're working with communities and stakeholders, to deliver more for customers and the environment.

It was an opportunity to put questions directly to the company's Chief Executive and other senior directors and highlight the issues they want us to focus on in the future.

The event was hosted by independent facilitator Bernice Law, Chair of Your Voice panel, the independent challenge group representing United Utilities' customers and stakeholders across the North West.

Members from our Executive Team included:

- Louise Beardmore, Chief Executive
- James Bullock, Strategy, Policy and Regulation Director
- Jo Harrison, Environment, Planning & Innovation Director
- Mike Gauterin, Customer Service Director

This is a summary of the discussion which centred on the three themes of our plan, which is to make the North West **stronger, greener, and healthier**.

When we submit our draft 2025-2030 plan to Ofwat in October 2023, it will have to set out how it is addressing the issues raised. Following a welcome and introduction by the independent chair, Chief Executive Louise Beardmore gave a 15- minute presentation on the company's proposed draft plan for 2025-30 and what it means for customers and stakeholders in Merseyside.

Overview of plan for North West and Merseyside

We serve 7 million customers here in the North West, supporting over 200,000 businesses.

We are also a huge employer in the region, employing over 22,000 skilled jobs, both in terms of delivering our services, but also in terms of improving our infrastructure across the 5 counties, including Merseyside, Cheshire, Lancashire, Cumbria and Greater Manchester.

We want to ensure it delivers a plan for the North West that improves the services for customers and for the environment.

It is time for a step change to deliver an ambitious plan that benefits everyone. We are embarking on the largest infrastructure investment in the company's history to help reduce the use of storm overflows. We have already taken action and have delivered a 39% reduction in spills since 2020 – but we know that's not enough.

Across the North West we plan to:

- Reduce the amount of water leakage – by at least a 20% improvement*
- Reduce interruptions to customers' water supply – by at least a 40% improvement*
- Reduce the number of pollution incidents – by at least a 30% improvement*
- Reduce the number of water quality issues customers experience – by at least a 50% improvement*
- Reduce the number of properties affected by sewer flooding inside their property – by at least a 30% improvement*

- Reduce the impact of storm overflows – 60% improvement*
- Provide £500m of affordability support for customers struggling with their bills*

**% performance improvement from 2021/22 to 2030*

Through our plan for Merseyside we will:

- Provide a sustainable supply of quality drinking water that is resilient for now and future generations
- Create an integrated plan for surface water management, investing £10m to work in partnership and find solutions
- Investing £179m to upgrade 140km of the Vyrnwy Aqueduct, improving the resilience of water supplies for 900,000 people
- Investing £316m at Huntington and Oswestry water treatment works to provide great quality drinking water
- Working in partnership to protect the River Dee from pollution from sources such as agriculture

Summary of main topics of discussion during Q&A section

Long-term water supply

Water is a vital but limited natural resource. The pressures of population growth, climate change and environmental considerations mean that it's now more important than ever to plan how we will manage water resources. With careful planning we can continue to deliver a reliable supply of water for customers in the future, while protecting the environment.

With increasing pressure on water resources across the UK, our Water Resources Management Plan (WRMP) defines our strategy to achieve a long-term, best value and sustainable plan for water supplies in the North West.

We produce a WRMP every five years, and this sets out how we intend to achieve a secure supply of water for our customers. When testing the plan, we consider a range of scenarios and options taking account of uncertainties around climate change, water transfers, and the amount of water needed, population growth and environmental changes.

This helps us to understand what the risks are in the short, medium and long-term to our water supplies across the region.

As part of our plans being put forward for the Price Review, we are looking at how to drive improvements in leakage, how to reduce customer demand so people are using less, and how to develop new sources of water.

Reducing Leakage

We're increasing our efforts to find and fix leaks, using new technology where possible to help us reduce the level of leaks faster.

Water is a precious resource, and we plan to reduce the level of leakage by at least 20% and have set targets to reduce leakage by 50% by 2050.

To reach these targets, we are driving innovation and taking a holistic technology led approach.

We are installing a series of sensors across the North West to understand how our pipe work is performing and where those leaks may be happening, and, more importantly, get out to fix them quicker.

We've developed and deployed artificial intelligence which uses rapid machine-learning to interpret the unique data trail left by leaks, tracking them down to pinpoint their exact location and identifying their size, just by the sound they make.

We work with customers to identify leakages in their homes and businesses too.

We know we have to do more. We continue to innovate and work closely with partners to reduce leakage and strive to deliver a great service to customers across the North West.

Reducing customer demand

Making the best use of our water is a major part of our plan to ensure there is a sufficient supply of water for the decades ahead. To address challenges around future supply we need to lower demand and create new water sources.

We are working closely with customers to help support them to use less water by raising customer awareness about the importance of saving water.

We know customers genuinely care about how much water they are using and would like to understand more.

As part of our plan, we will install 670,000 new smart meters that will give customers information about their water use, giving them confidence to move to a water meter and become more water efficient.

Customers who are on a water meter typically use 21% less than other customers. If customers have visibility and usage information, it can help drive down the reduction in water usage.

New water sources

Most of our water in the North West comes from reservoirs, with over half coming from Cumbria and Wales.

Reservoirs can fill quickly when it rains and empty quickly when it's bright and sunny. Therefore, we need to put in place plans to ensure that we are resilient in the long-term.

Our plan involves developing a number of additional sources of water.

We look at the resilience of all our local networks, our local storage reservoirs and pumping stations. We plan to improve resilience in any areas that are deemed vulnerable by building new pipes, putting new pumps in place so that we can protect customer supplies in the long-term.

In addition, we're part of the Water Resources West regional planning group (along with Severn Trent Water, Welsh Water and South Staffs Water and other stakeholders), and we have developed our WRMP with input from the group, so it is aligned with an overall regional plan.

Together we have considered the needs of other, more water stressed, areas of the country too and the scope to transfer water from the North West to the South.

We will develop new groundwater sources to improve the resilience of supplies in the North West and to support any potential transfer in the future. In considering any potential transfer, we will ensure it does not affect the reliability of the water supply in our region or cause any significant harm to the environment.

Bills and affordability

Customers want us to ensure that the North West is a great place to live and work, and, more importantly, that we have the infrastructure to support that.

Customers want us to spend money wisely and efficiently, so we can make sure that we keep bills affordable.

The average annual bill today is £417. Going forward that bill will increase, before inflation, to £512 by 2030, a £20 increase each year for the 5 years.

Of that £20, approximately £5 to £6 will go towards the new infrastructure that we need to deliver to improve drainage and to reduce storm overflows.

Affordability is also a hugely important issue for many people in the region and lowering bills and helping customers out of water poverty is a priority.

We recognise the social and economic challenges of a region that includes some of the most deprived areas in the country, so it is more important than ever that we are doing what we can to help those customers who are struggling with payments.

We currently offer six different help to pay schemes, depending on their needs.

In Merseyside we currently support 86,300 customers through affordability schemes and 63,900 people with additional needs through our Priority Services.

Supporting jobs and local economy

As we embark on our largest ever investment programme to deliver environmental improvements, this will stimulate greater employment opportunities directly, and through our supply chain, contributing to local economies across the North West.

We're proud to invest in young people, offering several opportunities including graduate, apprenticeship and intern schemes.

We have the only Ofsted accredited training centre in the sector where we are training people for jobs for the future.

For example, we have recruited Green Apprenticeships to help achieve our plans to go carbon neutral by the end of this decade.

Infrastructure investment

We understand that our customers and stakeholders want us to do much more to protect our natural environment.

In response, we are embarking on the largest investment programme since privatisation to ensure our plan makes the North West stronger, greener, and healthier.

In Merseyside, we are investing £343 million to enhance water quality by improving 19 storm overflows and protect 16km of rivers in Sefton and St Helens.

We are investing £179m to upgrade 140km of the Vyrnwy Aqueduct, improving the resilience of water supplies for 900,000 people, and we are spending £15m on coastal defences at Crosby to protect critical infrastructure and 460 homes from flooding.

Protecting the environment

As a trusted company, we're committed to improving the environment across the region.

We understand we need to invest in our system, and work closely with customers, stakeholders and partners to protect and enhance the long-term resilience of the environment for future generations.

Through our partnership work we will be protecting the River Dee from pollution from sources such as agriculture. We'll be reducing litter on riverbanks at 6 sites, and we will be enhancing 58km² land in the Mersey Valley to improve the Mersey Estuary.

Combined Sewage Overflows (CSOs)

Storm overflows are an important part of the sewerage network and include combined sewer overflows (CSOs) and storm tank discharges.

They act as a pressure relief valve when there is too much rainfall, allowing rainwater, mixed with sewage, to rise inside the sewer and eventually enter a separate pipe which flows into a river or the sea.

Sewers operate this way to help prevent the flooding of streets, homes and businesses. When we do need to use them, they can sometimes affect river and bathing water quality, albeit temporarily.

We want to remove combined sewer overflows from the North West in terms of the way that they operate.

The plan that we are putting forward for the next 5 years is going to see the company reduce storm flow activations by 60% (*compared to the 2020 baseline*).

The challenges won't be fixed overnight, similar to the transition of electric cars from diesel cars, as the infrastructure needs to be put in place first.

That means re-plumbing the North West region and building new infrastructure so that our systems can cope with future population growth and challenges arising from climate change.

Reducing the risk of flooding

A partnership approach to tackling flooding is crucial to ensure we can respond quickly and thoroughly.

We have reduced sewer flooding in people's homes by short of 39%. We've been investing in technology across the North West and installing a series of sensors in our network so we can monitor and understand how our sewers are performing.

More importantly, this will help to identify problems with blockages or issues sooner, so that we can get to customer's homes quicker, and fix the problem before it occurs.

We've got some of the biggest and most ambitious targets across the sector to drive down sewer flooding. This is going to be one of the key targets that we put forward in the next 5-year Asset Management Plan (AMP).

Executive Pay

Our executive pay continues to be firmly aligned to the performance of the company with respect to delivery for customers.

The senior team is incentivised on the issues that are important to customers including reducing leakage, reducing combined sewer overflows, and pollution events for example.

Full Q&A and our responses

STRONGER

Q. In the 1980s we were classed as the dirty man of Europe. Things appear to have only got worse and I struggle to understand how dividends can be paid, which seems to me, has resulted in severe under investment that has led us to where we are today - never mind the future. I am naturally concerned that UU customers are being told they have to foot the bill to improve the infrastructure - this is the very reason why privatisation does not work for the customer, where there is no competition. All this 'going to do' should have been done 40 years ago.

There was a time when sewage was taken out to the sea and dumped. However, there's been a huge £20 billion worth of investment to improve services, and more importantly, water quality and the environment and we have moved on a long way since that point. The Mersey and the waterfront look very different than it used to and that's as a result of that investment.

There's been a lot in the news about storm overflows. They have been part of the system for 150 years and not only operate here in the UK, but they operate in Europe, and across the world.

Storm overflows work by acting as a pressure release valve when the system is at capacity. Essentially, that sewage has to go somewhere. We have a high level of combined sewers in the North West, and therefore a huge amount of both sewage and rainwater mixing together.

At times of heavy rainfall, the combined sewer system risks becoming overloaded. Storm overflows act as a safety valve to prevent the mix of lots of extra water and sewage backing up and flooding people's homes and businesses.

The government did a piece of work asking how much would it cost to improve storm overflows across England and Wales. The cost of that was £56 billion, of which £20 billion fell to the North West. That's because we've got more of those combined sewer overflows than anywhere else together with more rainfall across the region.

To tackle these challenges, we need new infrastructure because the system we have in the North West was not built to cope with the rainfall and the growing population that we have now.

Customers are not asked to pay twice. If these were results of our failures, that is up to us to pay for. This is about hydraulic capacity and the fact that we are going to have to improve and extend this infrastructure to cope with the growing population we have in the North West and for the rainfall we are experiencing.

That £20 increase in bills is not just about paying for the infrastructure to tackle combined sewer overflows. It is about paying for new water sources, improving water quality, and protecting homes from coastal erosion.

We hear what you are saying about nationalisation. It doesn't matter whether these services are nationalised or privatised, we have to pay to improve the infrastructure, whether that be through taxation or through bills, to ensure we can deliver services for the future.

The focus over the last 20 years has been on keeping bills flat, delivering services, and delivering improvements. However, we can't carry on delivering those services without the infrastructure to cope with the extra rainfall we are seeing, the population that we have and the new standards that we want.

In terms of dividend payments to shareholders, the benefit of shareholders is they give us money that we can invest now. That's an additional £13 billion to make changes that are going to last hundreds of years.

If we wait until we've got £13 billion worth of investment, it could take years and we wouldn't be able to make the improvements that we want to make.

Q. I have been a councillor for long enough to remember the North West Water Authority and it wasn't a particularly brilliant service. What I struggled to see then, and what I struggle to see in your presentation today, is what the strategy is? You've mentioned 2 things which needed to be strategised.

The first is we've known for 30 plus years that the population of this area was increasing. But we don't seem to have been planning for that, it seems to have caught us by surprise. And the other side of that, is of course, more people means more homes. Another problem is the extreme weather we are experiencing. Are you thinking about what climate change means?

You've given us some huge figures. But that means nothing until I know what your turnover is and what your profit margins are. I'd be interested to know what you're spending, what your capital spend is as a proportion of your revenue income, and how that's changing over the years?

This plan needs to be set against a strategy looking at what we see happening over the next 50 years. Our Water Resource Management Plan and our Drainage Plan explores all of the changes that are going to impact us including regulatory changes, climate change, demographic change and supply and demand balance.

We are modelling at 4% climate increase and looking at what that means for natural habitats, water abstraction and whether we need to look at different sources.

That includes working with local authorities and with big businesses across the region to ensure that we've got enough water in the right places. That means looking beyond the 5-year term and to a longer-term plan and strategy.

We do a lot of statutory activity for the government which has 2 different frameworks that we need to follow. One looks at how we develop long-term plans for water and one for wastewater.

All that enables us to look both regionally and locally at those different needs.

Specifically for climate change we are looking at longer, drier summers, wetter winters and, more stormy conditions. We are looking at problems with erosion along our riverbanks where many of our assets are and along coastal areas and we are looking at a higher propensity for wildfires on some of our protected catchment land.

Once we have identified those challenges, we then identify what we need to do over the next 5 years, and the 5 years after that and so on.

We not only look at the optimisation of our long-term plans and at the external variables, but we also look at our assets and when the right time is to intervene to maintain those assets.

All that comes together to identify when we need to invest and what we need to do and what we need to build.

When it comes to our approach to water resources, we're looking at our strategy for reducing leakage, we are looking at reducing the amount of water that customers use but we're also looking at where we need to invest in new water supplies. On the wastewater side, we are looking at where we need to invest in our treatment works and, on our networks, as well. In addition, our plans are scrutinised by our regulators, DEFRA, and the Environment Agency to ensure we are taking a comprehensive approach to that longer-term planning.

We are open and transparent about the work we do and each year we publish our [Annual Performance Report](#) which details how we are performing alongside financial metrics. The publication offers transparency about our numbers.

Last year's revenues were around £1.8 billion. Of that, 70% comes from domestic customers and around 30% from commercial customers. Last year's pre-tax profits were around £80 million. It's that profit after tax that is left over for shareholders. The vast majority of our expenditure is on capital investments and operating costs. Last year we spent around £850 million on capital investments and £700 million on operating costs. The difference between those is that capital investment is about investment in new sites or works that are going to have a long-term impact whereas the operational costs are more about wages and consumables.

In addition, the plans that we have talked about today, and the plans that we are currently operating under, are put forward to Ofwat for scrutiny. Once we have submitted the plans, Ofwat will ensure the targets are stretching and ambitious. They will ensure the costs are efficient and not overinflated and customers are getting a decent deal out of the Price Review.

We would also like to make it clear that dividend is not prioritised over capital investment. We have put forward a series of commitments that need to be taken account of before the company considers paying a dividend.

They include, for example, our shareholders making their contribution to the affordability support that we offer. That's actually of a higher priority than the dividend as we want to ensure that people who need help are getting that assistance.

Likewise, any service failures that have we committed money to restore are also considered by the board before any dividend is paid.

We are making a series of commitments here to you this evening of the things we want to deliver through this plan. If we don't deliver those commitments such as reducing leakage and sewer flooding, we are penalised financially, and that money is returned to customers.

GREENER

Q. According to the SSRS (Safer Seas & Rivers Service) app, there have been 13 sewage pollution alerts at Southport since the beginning of the year, and there were 50 in 2022. It seems to me that UU is asking us to pay more for services which UU is already supposed to be providing. What have you not been doing in order to pay out those dividends?

In terms of the greener and the environmental aspect of things, the UK is lagging behind in its sustainable development and environmental goals. What are you doing to incentivize people in terms of harvesting rainwater?

Are you lobbying planning departments because the increased development of housing and more roads is having a massive impact on groundwater and run off water?

We are seeing an increase in extreme weather that's going to have a real negative effect in the long term. So, what are you doing?

In relation to Southport and storm overflows, we want to make it clear that while storm overflows have been part of the system for 150 years, it doesn't make them right and we want to get rid of them.

However, that's going to cost £20 billion because we have to re-plumb the entire system and build huge Olympic sized underground storage tanks to cope with the additional rainwater we are experiencing.

There is a lot of narrative in the media about 'dumping sewage' and it couldn't be further from the truth. We care passionately about the North West, the service we deliver and the environment. If we decided that we are not going to activate those storm overflows, sewage would find itself into our homes, businesses and streets. We want to reduce their use, that's why we need to start making this infrastructure investment. We will take a very active role and the plan we are putting forward here is going to see us reduce storm flow activations by 60% over the next 5 years against that 2020 baseline.

We believe transparency is important and from next year, all of our combined sewer overflows will be monitored so people can see how they are operating.

In terms of sustainability, we are looking more broadly at what can we do with others to address the issue of surface water.

Over the years, we have concreted over our gardens for driveways, extensions and patios, removing that natural drainage and we are also seeing more flash flooding in the region.

We've been working with local authorities and developers to look at solutions to capture rainwater before it enters our system. We are offering developers a 90% discount if they put in sustainable urban drainage.

Legally we cannot refuse anybody to connect to a sewer, even if the sewer can't cope, but we can work with organisations to look at alternative ways to capture and recycle that water.

We are thinking about water in a more integrated way and working with the Liverpool City Region and Greater Manchester to create integrated water plans. This is a partnership led approach which includes working with the local authorities, the Environment Agency and other partners to think about water in a much more joined-up and holistic way. This will enable us to think about sustainable drainage differently.

That means managing surface water differently. We want to move away from hard engineered solutions to green solutions such as creating swales, pocket parks, and other sustainable drainage schemes.

We are also working with individual domestic customers and with organisations like schools that have got a lot of land and potentially have the ability to manage surface water in a different way.

An example is the work we are doing in Lancashire where we have installed smart water butts in schools. That's looking at local solutions that will sit alongside the big solutions.

Our forward-looking plans are all about green infrastructure and natural solutions to try and slow the flow and stop surface water getting into our sewers.

We've got the highest percentage of combined sewers in the country and in the Liverpool City region over 84% of the sewers are combined. We have an enormous task ahead of us over the next 10 or 15 years to address the challenges we have in Merseyside.

Q. The work you are doing with developer's sounds fantastic. Is there anything that is part of the strategy for helping the existing housing stock to become more sustainable?

We have put £250 million into the plan for rainwater management. That will include working with customers on schemes such as permeable driveways and grey water harvesting. It's not always easy to know what to do, so we want to make sure we can make that information accessible.

In terms of water butts, they're great but the problem is that vast majority of customers don't empty them. So, we have introduced smart water butts which are significant in size. They are solar powered which means we can send a

signal to empty ahead of heavy rain coming in. We are working with local authorities, schools and big community groups to put those types of systems in.

In addition, 180,000 customers have signed up to our GetWaterFit service, our online tool that helps you learn about how much water you use, with hints and tips on reducing usage and save money.

We are rolling out smart meters across the North West to give people information about how much water they are using, and it will give them that education and visualization of that use.

Q. I live in New Brighton. According to the Top of the Poops website, 7 of the top ten worst beaches for sewage fall within UU's area. New Brighton is the worst. Wirral's population has grown by 400% in the past 10 years according to the ONS. There are around 200 of us swimmers on various WhatsApp groups regularly bathing here. Is there a mechanism by which we can report issues such as sewage overflows to you e.g. I have seen overflows emanating from the New Brighton front overflows on dry days which presumably isn't related to more people or excess water.

We have got more storm overflows and combined infrastructure. We've got plans to address all our storm overflows and drive down that activity. We will be producing that information live so, if you are going for a swim, you can see the data and see how they are performing.

We also have issues with infiltration. Some of those areas are very flashy in terms of groundwater and that is what is causing some of the CSOs to activate.

If you do see a spill on a dry day, we absolutely want to know about it because that shouldn't be happening, and we would immediately notify our site teams to investigate.

If you are a group of swimmers and you would like us to come down and talk to you about what we are planning to do for each of the CSOs, we would very much welcome the opportunity.

Q. Going back to your point about being able to see when the CSOs are activated, where would I find that information?

That will launch at the end of this year, and it will be housed by the Rivers Trust. People will be able to see in near real time how each CSO is performing across the UK. Swimfo has already got that information for coastal overflows.

Q. So, which is the best mechanism if we see something emanating on a dry day?

You can come straight to us and tell us what you have seen.

We would like to add, that sometimes, although it might be a dry day, spills can be dependent on a catchment. If it's not raining here, that doesn't mean it isn't raining somewhere else in terms of where that catchment comes together.

It is in our interest to ensure we have great places to swim. One of the other challenges we have is that discharges can come from other organisations and businesses.

HEALTHIER

Q. Are there any plans to fluoridate our water in the North West?

It's not United Utilities' decision to put fluoride in the water. That is a public health decision which sits with each local authority. We have to do what we are instructed to do from a public health perspective and it's different in different parts of the region.

It's a request that's made by the local authority and they look at various factors such as deprivation and areas where children's health isn't good and where in particular there are issues around dental health.

We only have 2 areas where we fluoridate water. One is in Crewe and one in West Cumbria.

Q. This might seem a bit parochial, but are there any plans to change the source of water for Southport? I understand that it comes from boreholes and is consequently very hard which is very inconvenient whereas most of UU water comes from softer water sources such as reservoirs in the Lake District. It would be appreciated if the water could be made softer somehow.

Your water does come from boreholes and at the moment we haven't got any plans to change that. Most of our water across the region does come from reservoirs but we are trying to increase the amount of water we supply by boreholes to ensure that we are resilient to future climate challenges.

Reservoir sources are no longer enough because of the changes in rain patterns and so we are bringing on more boreholes all the time.

If you've got a specific issue in relation to where you are, we can send somebody out to have a look and sample your water to see if there is anything else going on.

Q. I use the UU website to check the water quality in Clatterbridge. I found that I needed to buy a Maxtra+ water filter to keep my drinking water lead free. This year the filters have only been lasting 3 instead of 4 weeks. Is the water quality getting worse?

One of the biggest factors that can impact water quality is temperature. Because we get more algal blooms, we get changes in what we call 'raw water quality.' We are going to be doing a couple of schemes that are going to improve water quality in Merseyside.

That includes spending £179m upgrading 140 kilometres of the Vyrnwyn Aqueduct, which runs from Lake Vyrnwy through to Merseyside. That's over the next 5-year investment period. With a pipeline that long, we have to go through multiple local authorities in terms of getting permission to go into those tunnels in a safe way. We then have to take the tunnels out of supply to manage the works, and this means we have to ensure we have enough water elsewhere.

We have an active programme to remove lead. We've put a huge amount of investment into the programme to remove 30,000 customer lead pipes as well.

We are out flushing water mains too. This will help with taste, smell and appearance.

This is all part of a comprehensive water quality programme

Q. I fail to understand how it has taken UU 40 years to not replace our ageing sewerage system. Clearly your priority was profit not performance. Why should we think you're going to do it this time?

Over the last 40 years there's been £20 billion worth of investment and there's been a huge amount done. That investment has fundamentally transformed the way we deal with wastewater.

Many years ago there were the ships that would go out and dump sewage in the sea. We don't do that anymore. Wastewater is treated before it's returned into the environment. There have been huge improvements in terms of water quality and leakage, which is at the lowest level it's ever been.

Over the last 40 years bills have also stayed relatively flat. There hasn't been a big increase in infrastructure investment, and we are now at a situation where we have got so much more rainfall, population growth, we've got more people connecting into the sewers and we need to start tackling these challenges.

You asked why it has taken 40 years. It's not taken 40 years; it has taken 150 years because CSOs have been a feature of the system for that long. We want to get rid of them but it's going to cost us £20 billion in the North West alone. Similar to the transition from diesel cars to electric, it is going to take time because the infrastructure needs to be put in place first.

You can be absolutely certain that the investments that we're proposing to make on sewer overflows and the investments for the next period will be looked at closely by the Environment Agency and by Ofwat to ensure that they are cost effective, and this is all new investment.

Q. Are there any plans to use reed bed filtration to resolve waste processing?

We are looking at sustainable green solutions and that includes reed beds, swales, and sustainable urban drainage. We believe we need to look at green solutions alongside what we call traditional concrete solutions too.

Q. Do you encourage the council to prosecute people who pave over 3 square yards without consideration for water flow?

Our homes and streets don't look like what they did 40 years ago because we've all got cars and we have concreted over gardens for driveways, and extensions or patios losing all of that natural drainage.

Theoretically you have to apply for planning permission for some areas of work, but most local authorities do not have the resources to enforce that application for people modifying their front gardens.

We are working with organisations like the RHS (Royal Horticultural Society) to encourage people to bring back their front gardens.

Q. Would it be worth it for you to pay for someone to be in the council to that job?

Earlier we talked about developing a new integrated water plan with Liverpool City Region and with Greater Manchester and that is exactly what we are looking at.

Local authorities no longer have drainage departments and planning departments are not well funded, so how could we work differently to create different resources to get the most effective outcomes. We're at the start of that journey but that's something we are looking into.

Q. We are currently in a cost-of-living crisis with energy prices being at record levels. It is noted that UU sold its interests in renewable energies in 2022 for £100 million. Renewable energy comes from lots of sources - wind, solar, waste. Why has UU not harnessed the power of water for renewable green energy? France has done this since 1966 in Brittany. Is UU involved in any discussions about this type of renewable using the River Mersey?

We sold that solar business because we're about to make another significant investment into renewable energy here in the North West. Energy prices have gone up and if you look at delivering a £13 billion plan, we are going to need more electricity and more energy. As a result of that, we're going to be investing heavier in terms of wind and solar and battery across many of our sites.

We are looking at how we can generate more of our own renewable energy through our assets. Alongside solar and wind, we're looking at how to maximise our production of biogas, the methane that's naturally produced from our sewage system.

Our focus has been about using the natural assets that we've got through the work we undertake rather than necessarily participating in big regional schemes as we look at our own net zero targets. We have strong stringent targets to reduce our overall emissions of greenhouse gases by 42% by 2030.

We're looking at a complete portfolio of interventions to play our part to ensure that our own energy usage is resilient for the future.

Q. If you don't achieve all the things that you've been talking about, will customers get a rebate on bills?

There are procedures in place to protect customers. If we don't deliver the plan or we don't deliver the targets that we set out, then there would be corresponding discounts to customer bills.

The way in which that works is two-fold.

Firstly, if we have promised capital investment on treatment works or particular processes for example, and then we don't deliver on that, the investment is taken away from the company and is refunded through customer bills.

The second approach is around ensuring that we hit the targets that we commit including targets to reduce leakage, reduce the number of water quality issues and reduce the amount of sewer flooding. If we do well against those targets, there are some financial rewards. If we fall short, then there is a financial penalty.

That financial penalty is applied to the company by means of reducing customer bills.

We will work hard to meet and beat the targets that we have set because we want to deliver the best possible service.

Our pay is directly linked and correlated to what customers have told us is important to them. That's related to areas including leakage reductions and reducing CSO activations. If we don't deliver reductions in CSOs, that directly links to our pay. People are only getting rewarded and paid for the performance and improvements that everybody expects to see.

Q. How is the company loaded with debts at 11%?

We are talking about our gearing ratio. We have the best balance sheet in the sector, so we haven't geared up or borrowed against it or have debt in that way.

United Utilities is in a very different position to Thames Water because we've always tried to borrow responsibly and not load the company up with debt.

Ofwat sets out a typical range of what a company should be in terms of the amount of debt it has relative to the amount of equity it has. We are in line with that range broadly.

Thames is somewhat outside of that range, so they are in different position.

We were out raising some debt on the markets last week and we didn't have any problems. We are secure from a liquidity position, and we also have the best credit rating in the sector as well. That is important because if we are saying we will make this investment we need to be able to do it responsibly.

The fact that we're a listed company means there's full transparency of our finances too which you can find on our website.