Pre-task: Background to the water industry

16

water companies in total

Water and wastewater companies

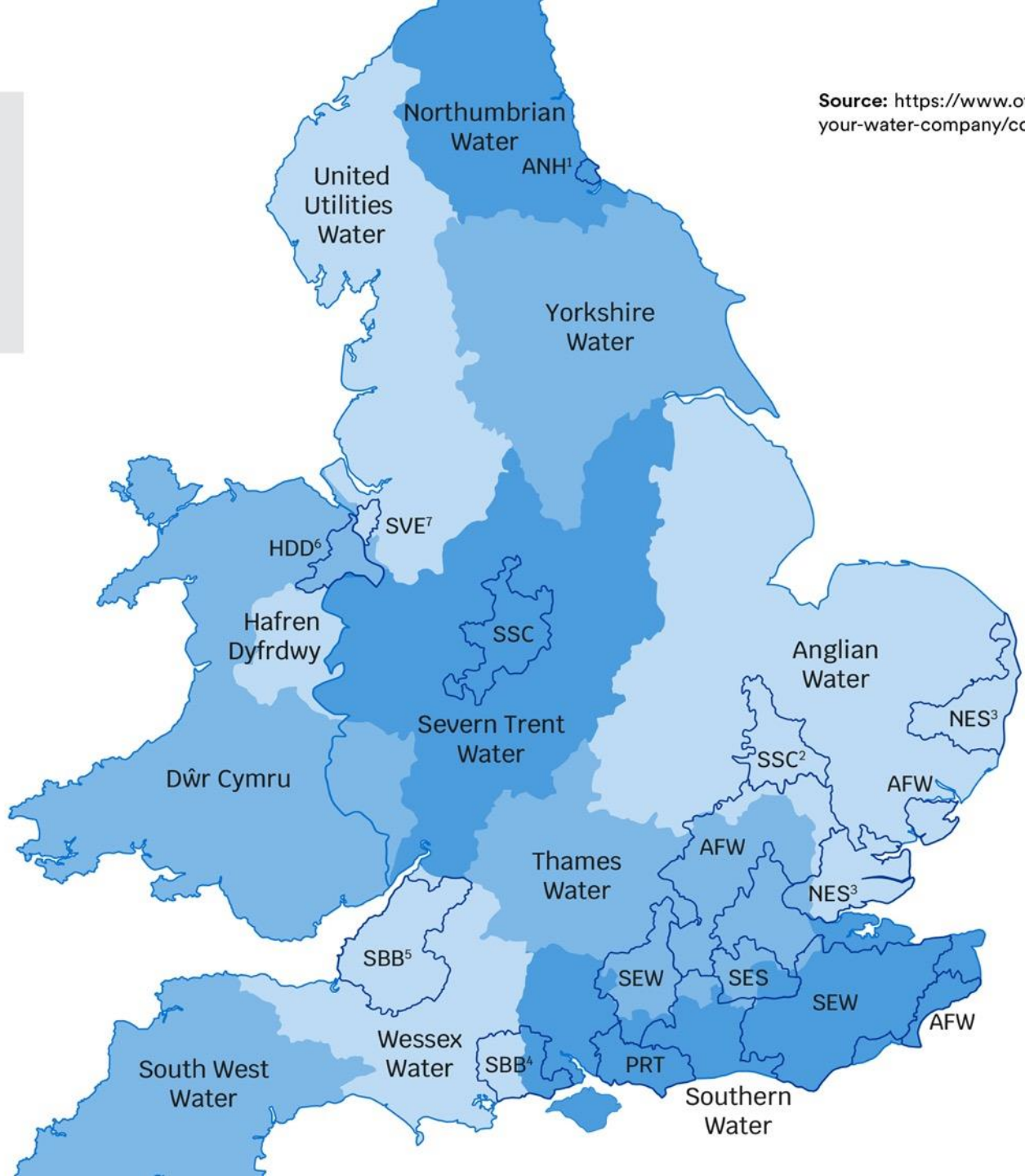
ANH: Anglian Water
WSH: Dwr Cymru
HDD: Hafren Dyfrdwy
NES: Northumbrian Water
SVE: Severn Trent Water
SBB: South West Water
SRN: Southern Water
TMS: Thames Water
UUW: United Utilities Water
WSX: Wessex Water
YKY: Yorkshire Water

Water only companies

AFW: Affinity Water
PRT: Portsmouth Water
SEW: South East Water
SSC: South Staffs Water
SES: SES Water

Key

1. Water services provided under the Hartlepool Water name.
2. Water services provided under the Cambridge Water name.
3. Water services provided under the Essex & Suffolk Water name.
4. Water services provided under the Bournemouth Water name.
5. Water services provided under the Bristol Water name.
6. Hafren Dyfrdwy provides water services only in this area.
7. Severn Trent Water provides water services only in this area.



Source: https://www.ofwat.gov.uk/households/your-water-company/contact-companies

United Utilities: the North West region

3 million
household customers

200,000
businesses

830mm
rainfall each year, higher than the UK average

34%
of the region is National Park, Area of Outstanding Natural Beauty or Sites of Specific Natural Interest

7.4m
population, expected to grow significantly in the next 25 years

5,000
people are directly employed by United Utilities

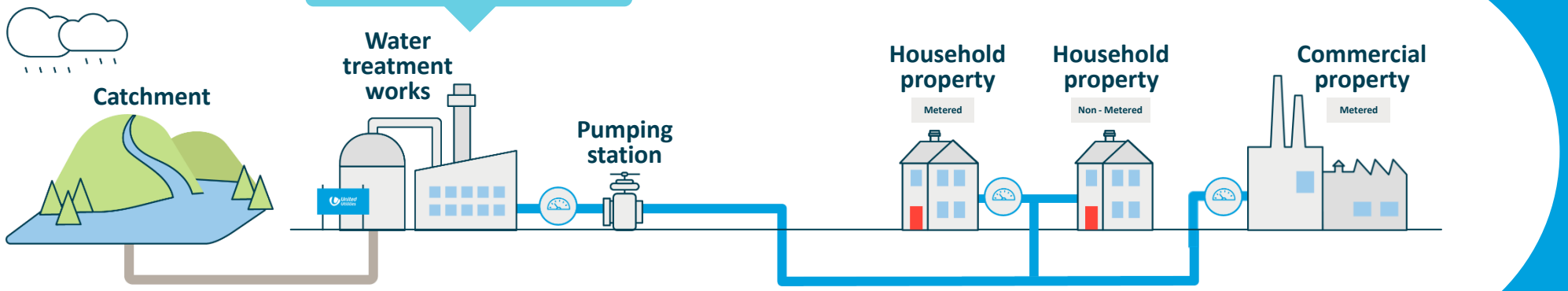
88
water treatment works

22,700
North West jobs connected to United Utilities work

566
wastewater treatment works

How does your water get to you?

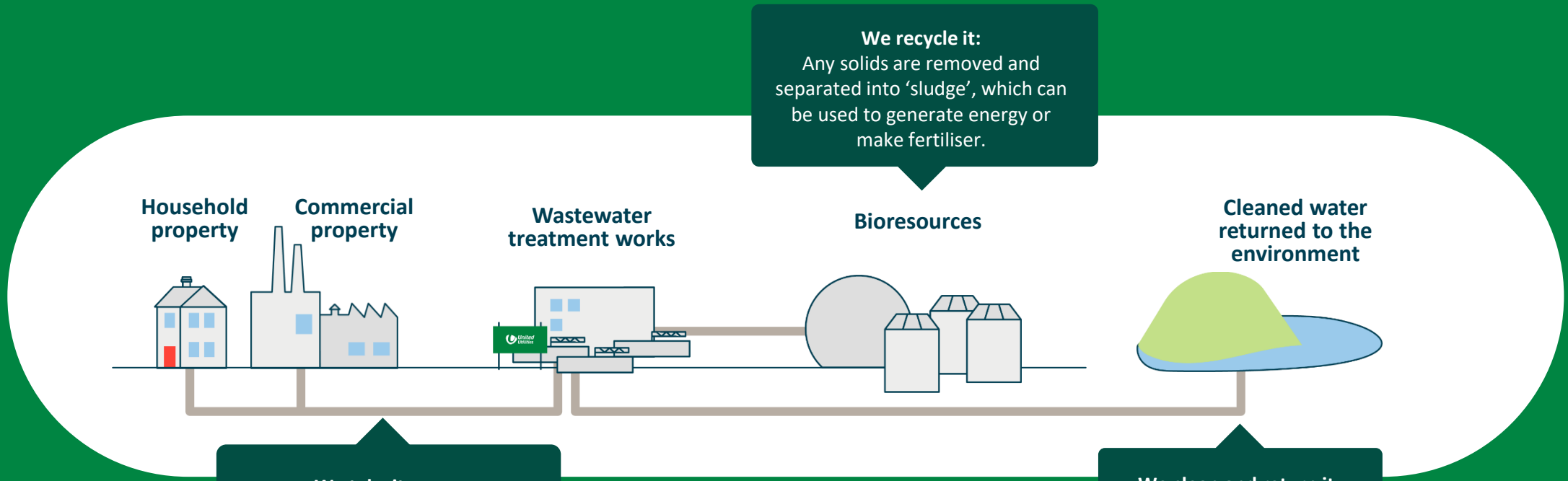
We treat it:
Water is first treated at a Water Treatment Works to ensure it meets drinking water standards.



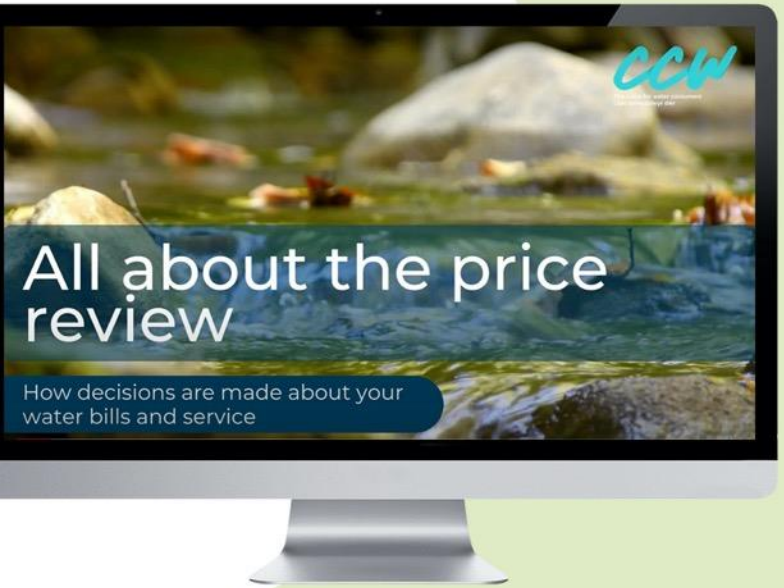
We collect it:
More than 90% of the water we supply each year comes from rivers and reservoirs. The rest comes from groundwater.

We deliver it:
It is then transferred through a network of pipes and mains straight to your home or business.

How is your wastewater taken away?



Pre-task: Background to the consultation



Every five years, water companies develop a 'business plan' that sets out how they want to develop their services, and the proposed cost to customers. As customers are not able to choose their water company, water companies must give them a say about what they want from their services and the price they pay. Talking to customers also helps water companies prioritise what to do first or what to do most of – because they are not able to fund everything they would like to do or do all of the things that customers might want them to do.

The business plan and prices are then finalised by Ofwat in a process known as the Price Review.

There is more information about this here: 'All about the price review'.

Available at: www.youtube.com/watch?v=OWmivC93AF8

One of the ways that people have their say is through this research, which will explain what the plans are for where you live, and ask what you think – whether the plans are 'acceptable' to you and whether you can afford the proposed bills from 2025–2030.

Companies also have to show to Ofwat that their plans reflect what their customers want – that means refining the plans based on what customers tell them.

Ofwat

ccw
The voice for water consumers
Y corff sy'n rhoi llais i ddefnyddwyr dŵr

Water companies are currently part way through their five-year business plan for 2020 to 2025. They have service level targets, called 'performance commitments', in every five year business plan. These targets are based on what customers have previously told companies they would like them to do, and on Ofwat's assessment of what companies should deliver. These targets cover a wide range of the different services that water companies provide.

Ofwat monitors water company performance against each performance commitment every year to see if they have met the service level in their business plan. We are now going to show you how well your water and/or sewerage company is doing on some of their performance commitments, compared to other water companies in England & Wales.

These performance commitments are a snapshot out of the wide range of services companies provide. We are showing these examples as customers have told us they are particularly important to them.

Water companies have to provide reliable services, and plan for their services to be resilient to changing weather patterns and demand from consumers. Companies can miss or exceed performance commitment targets for a number of reasons. For example, leaks from pipes happen more often after very cold weather, which can contribute to a company not meeting the target, and flooding from sewers is less likely in dry weather, which can lead to higher performance for sewer flooding service targets.

Ofwat

CCW
The voice for water consumers
Y corff sy'n rhoi llais i ddefnyddwyr dŵr

Pre-task:
Comparative water company performance

Water company performance

As the regulator, Ofwat monitors the performance of water companies against their targets.

To encourage them to reach their targets, Ofwat instructs companies to develop performance incentives.

These can be penalties or rewards:

Penalties:

Financial penalties for the water company, applied when the company fails to meet the target set, or if the company delivers much worse levels of service than promised.

Rewards:

Financial reward where the water company has over-delivered against a set target (delivering a significantly improved service) or reduced its costs through innovation for example (without impacting on service).

Consequences of poor performance:

If water companies are failing to deliver, they will need to address how they are putting things right through a clear improvement plan which Ofwat will monitor.

How did United Utilities perform in the most recent assessment?

Overall, United Utilities' performance in 2021/22 was scored as 'average' for the sector by Consumer Council for Water.

Overall performance: average

The following slides show United Utilities' performance for six important service areas for the year 2021/22. These will be discussed in more detail as part of the research.

- Best in class
- Meeting or exceeding targets
- Below target

Pollution incidents	BEST IN CLASS
Customer satisfaction	MEETING/ EXCEEDING TARGET
Priority services for customers needing extra help	
Leakage	
Mains repairs	
Unplanned supply interruptions	
Sewer collapses	
Household water use	BELOW TARGET
Planned supply interruptions	
Water quality	
Internal sewer flooding	
Treatment works compliance	

Water companies measured on the amount of water lost due to leaks from water mains and pipes.

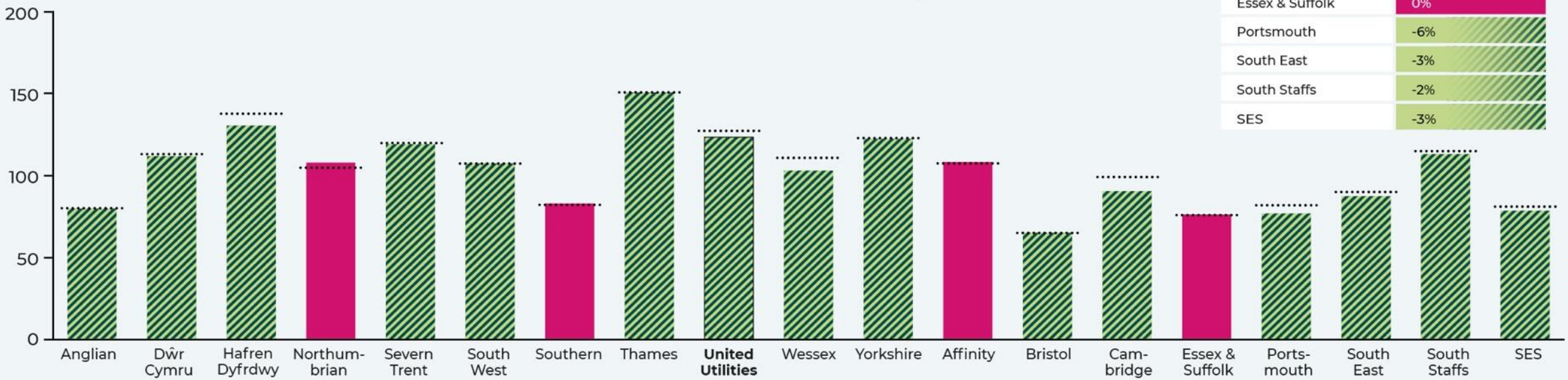
Number of litres lost per day per property served.
(A lower number is better.)

Company performance against targets.
(A lower percentage is better.)

- Target number for water lost due to leaks
- Performing at or better than target
- Performing poorer than target

This bar chart and table include information from United Utilities.

Company	Performance against target
Anglian	-1%
Dŵr Cymru	-1%
Hafren Dyfrdwy	-5%
Northumbrian	+3%
Severn Trent	-1%
South West	0%
Southern	+1%
Thames	0%
United Utilities	**-3%**
Wessex	-7%
Yorkshire	-1%
Affinity	+1%
Bristol	0%
Cambridge	-9%
Essex & Suffolk	0%
Portsmouth	-6%
South East	-3%
South Staffs	-2%
SES	-3%



Water companies measured on the length of time properties are without water.

Duration without water for more than 3 hours by minutes per property.
(A lower bar / number is better.)

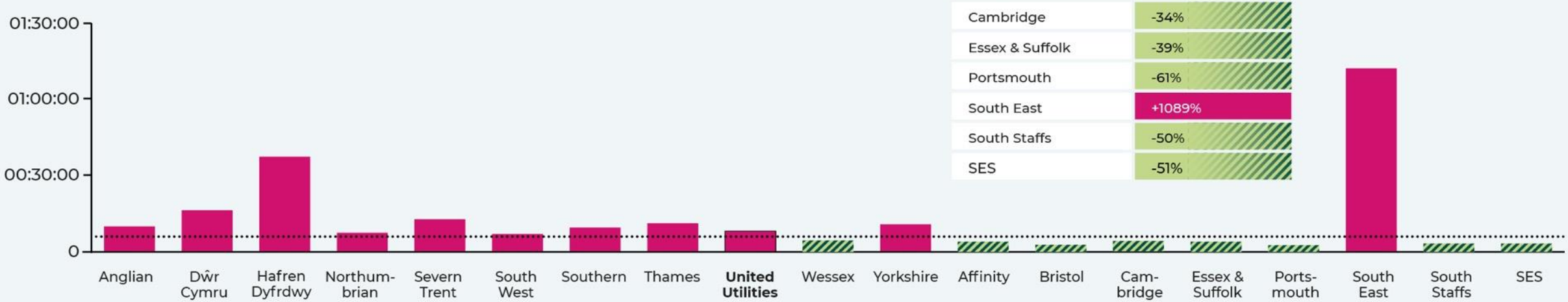
Company performance against targets. **(A lower percentage is better.)**

Company	Performance against target
Anglian	+61%
Dŵr Cymru	+166%
Hafren Dyfrdwy	+514%
Northumbrian	+19%
Severn Trent	+107%
South West	+11%
Southern	+54%
Thames	+81%
United Utilities	**+31%**
Wessex	-31%
Yorkshire	+74%
Affinity	-39%
Bristol	-59%
Cambridge	-34%
Essex & Suffolk	-39%
Portsmouth	-61%
South East	+1089%
South Staffs	-50%
SES	-51%

Target number for time properties are without water

Performing at or better than target

Performing poorer than target



Water companies measured on the number of customer contacts regarding the appearance, taste and smell of tap water.

Number of customer contacts received regarding incidents, per 1,000 customers. **(A lower number is better.)**

NB: Severn Trent and Hafren Dyfrdwy did not have comparable performance targets published.
* including Cambridge Water.

Company performance against targets. **(A lower percentage is better.)**

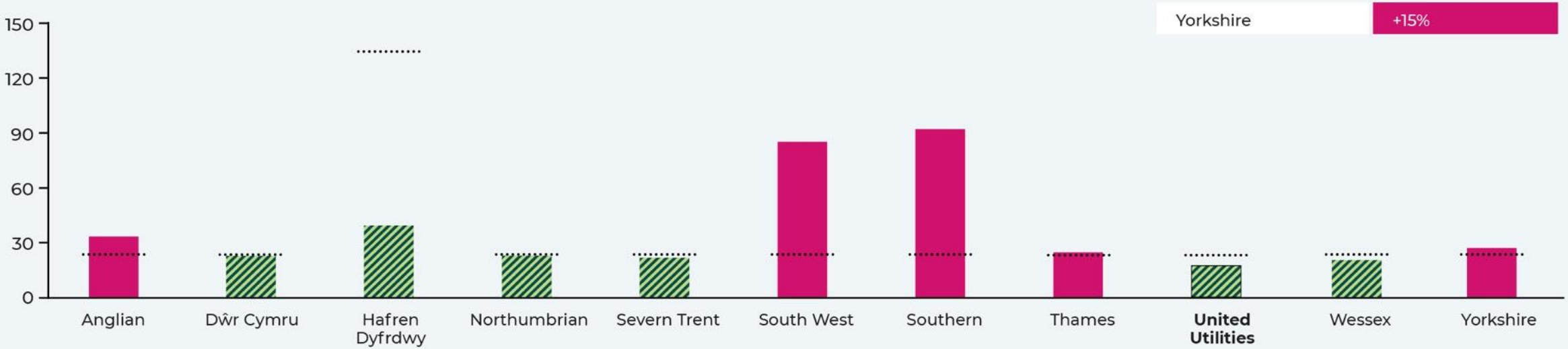
- Target number for customer contacts
- Performing at or better than target
- Performing poorer than target
- Do not have a target

This bar chart and table include information from United Utilities.

Company	Performance against target
Anglian	+2%
Dŵr Cymru	+18%
Hafren Dyfrdwy	
Northumbrian	-13%
Severn Trent	
South West	-3%
Southern	+13%
Thames	-18%
United Utilities	**+12%**
Wessex	-4%
Yorkshire	+3%
Affinity	+12%
Bristol	+28%
Essex & Suffolk	-13%
Portsmouth	-5%
South East	-4%
South Staffs	-32%
SES	+14%

Water companies measured on the number of incidents of pollution of rivers and streams.

Number of incidents per 10,000km of sewer.
(A lower bar / number is better.)



Target number for pollution incidents

Performing at or better than target

Performing poorer than target

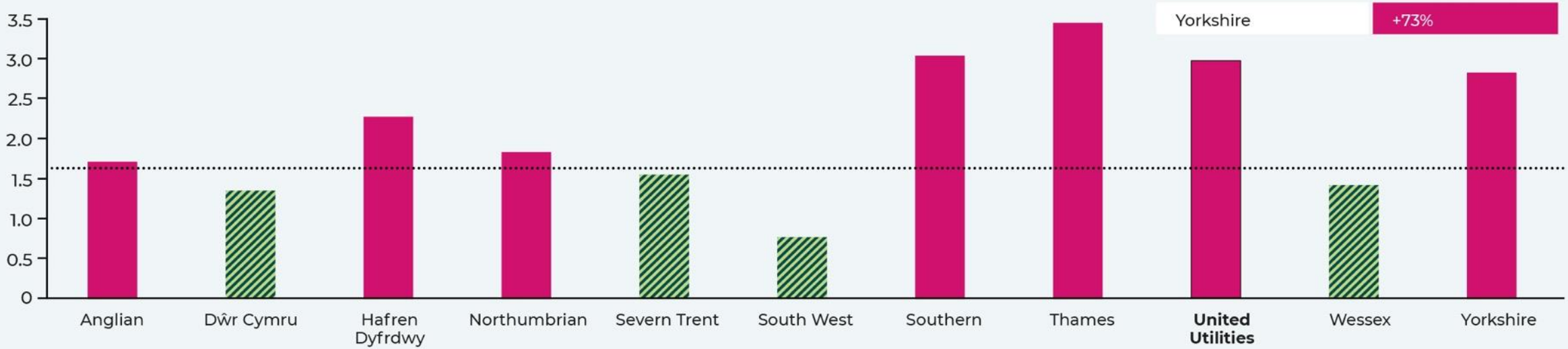
NB: Hafren Dyfrdwy does not have a common target in line with the other water companies due to the small size of its sewerage system.

Company performance against targets.
(A lower percentage is better.)

Company	Performance against target
Anglian	+42%
Dŵr Cymru	-4%
Hafren Dyfrdwy	-71%
Northumbrian	-3%
Severn Trent	-8%
South West	+265%
Southern	+294%
Thames	+5%
United Utilities	**-25%**
Wessex	-13%
Yorkshire	+15%

Water companies measured on incidents of sewage flooding properties.

Number of properties affected, per 10,000 properties.
(A lower number is better.)



Target number for incidents of sewage flooding properties

Performing at or better than target

Performing poorer than target

Company performance against targets.
(A lower percentage is better.)

Company	Performance against target
Anglian	+5%
Dŵr Cymru	-17%
Hafren Dyfrdwy	+39%
Northumbrian	+12%
Severn Trent	-5%
South West	-53%
Southern	+86%
Thames	+111%
United Utilities	**+82%**
Wessex	-13%
Yorkshire	+73%

Water companies measured on incidents of sewage flooding gardens or outbuildings.

Number of properties affected, per 10,000 properties.
(A lower number is better.)

Target number for incidents of sewage flooding gardens/ outbuildings

Performing at or better than target

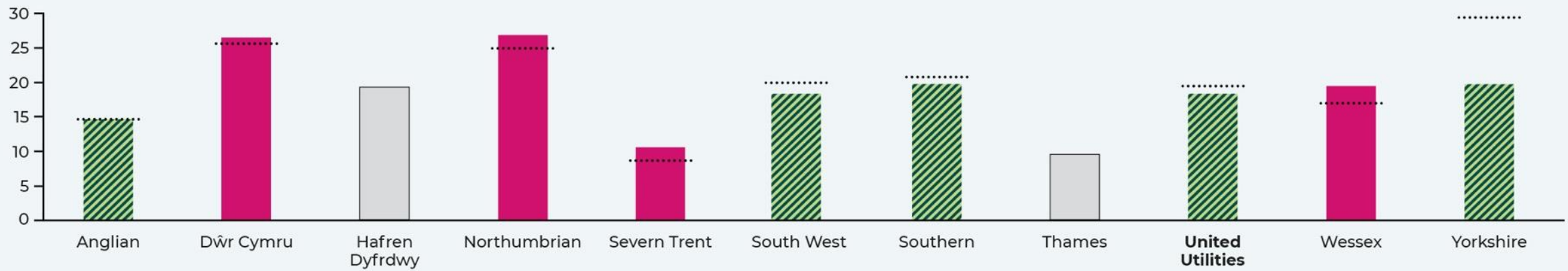
Performing poorer than target

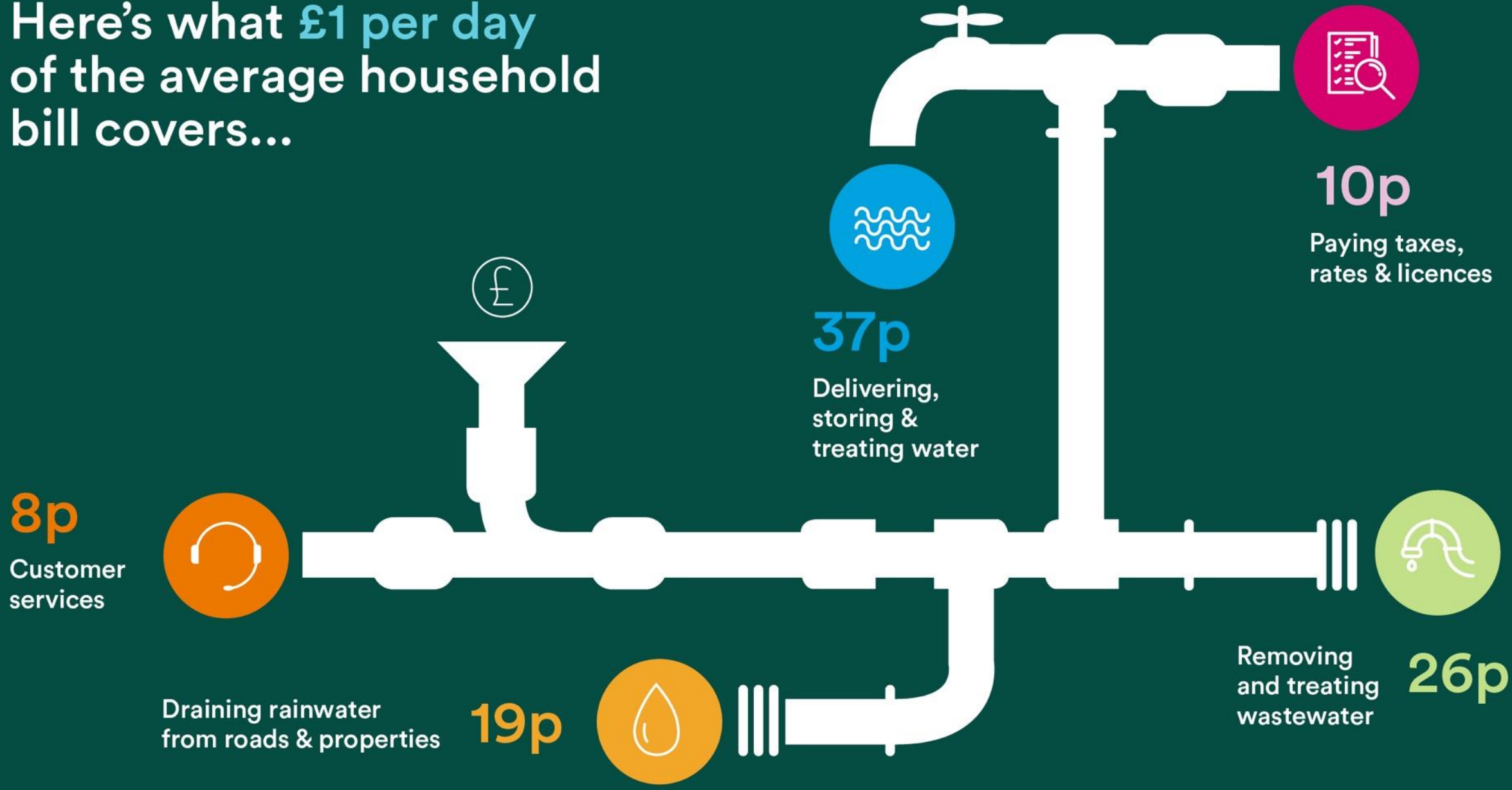
NB: external sewer flooding is not measured by all Water and Sewerage companies, Hafren Dyfrdwy and Thames do not include this as a performance measure.

This bar chart and table include information from United Utilities.

Company performance against targets.
(A lower percentage is better.)

Company	Performance against target
Anglian	+0%
Dŵr Cymru	+3%
Hafren Dyfrdwy	N/A
Northumbrian	+8%
Severn Trent	+22%
South West	-8%
Southern	-5%
Thames	N/A
United Utilities	**-6%**
Wessex	+15%
Yorkshire	-33%



Pre-task:
What customers' bills pay for

Here's what £1 per day of the average household bill covers...