

# 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

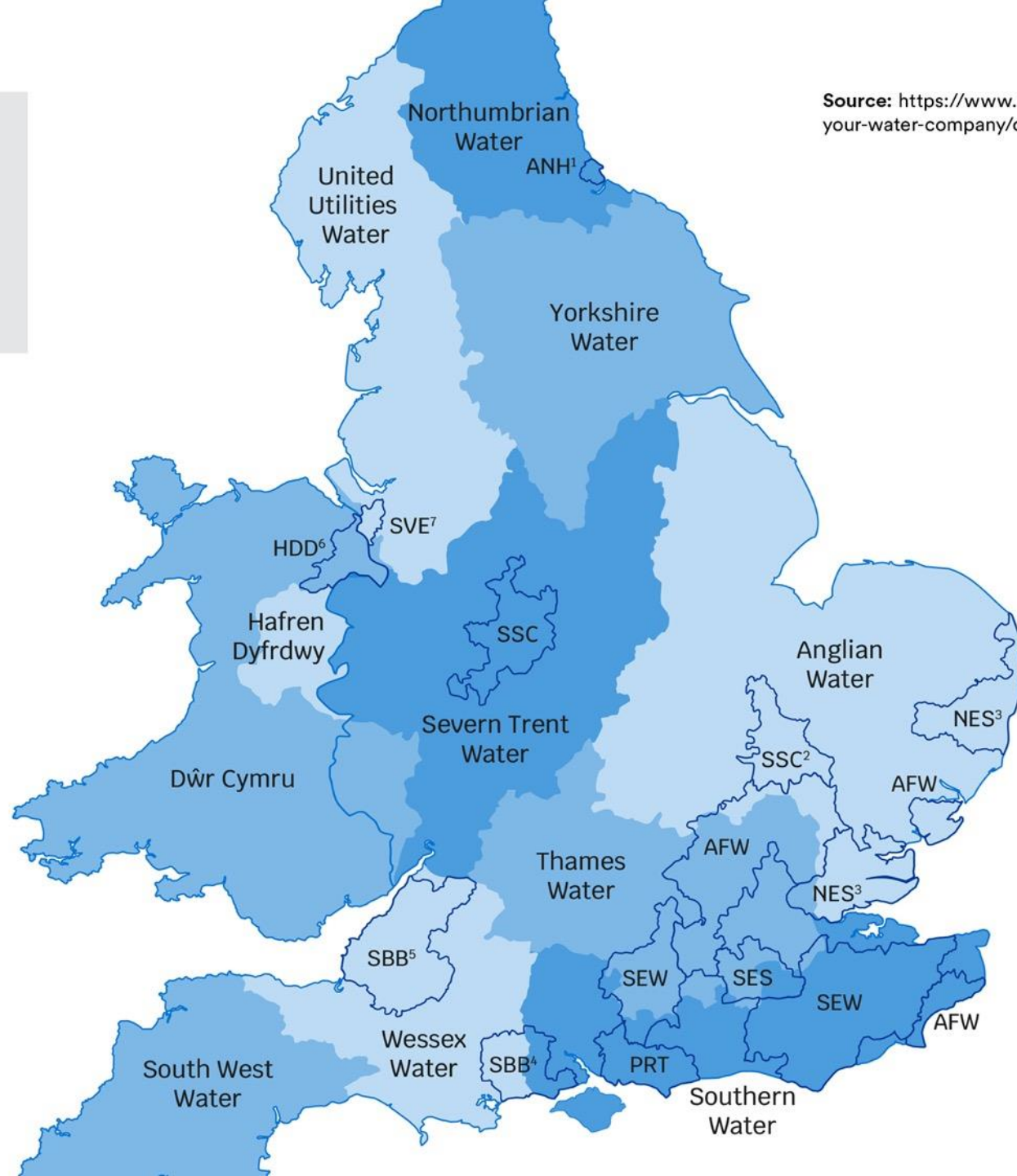
### Water only companies

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



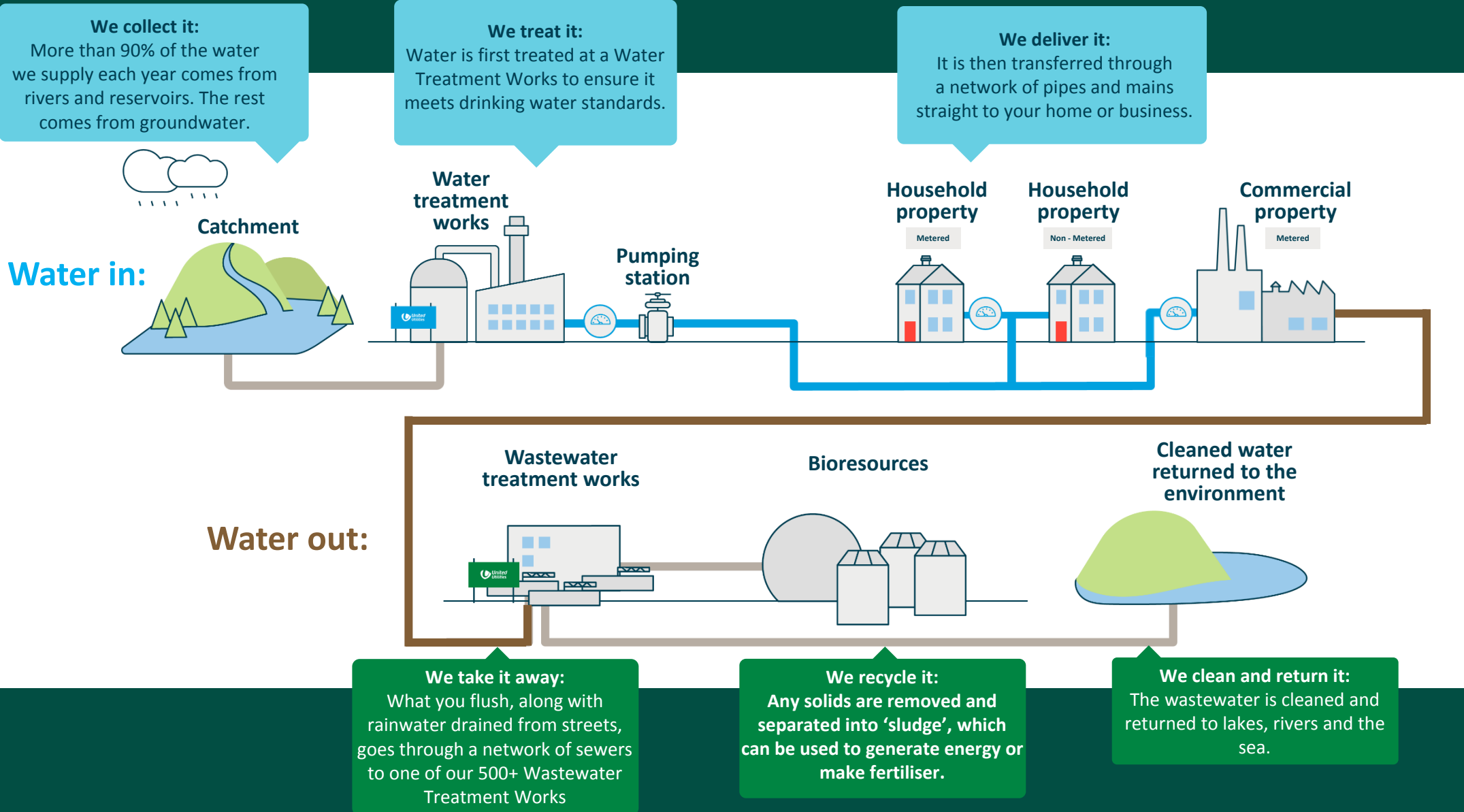
**566**  
wastewater treatment works



**22,700**  
North West jobs connected  
to United Utilities work



# The water cycle: getting water to you, and taking it 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.

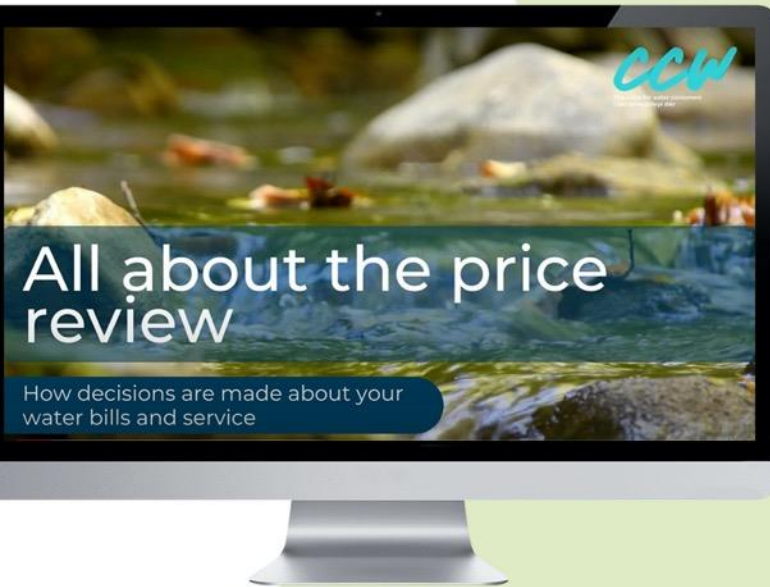
There is more information about this here: ‘All about the price review’.

**Available at:** [www.youtube.com/watch?v=OWmivC93AF8](https://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.

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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.



# 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).

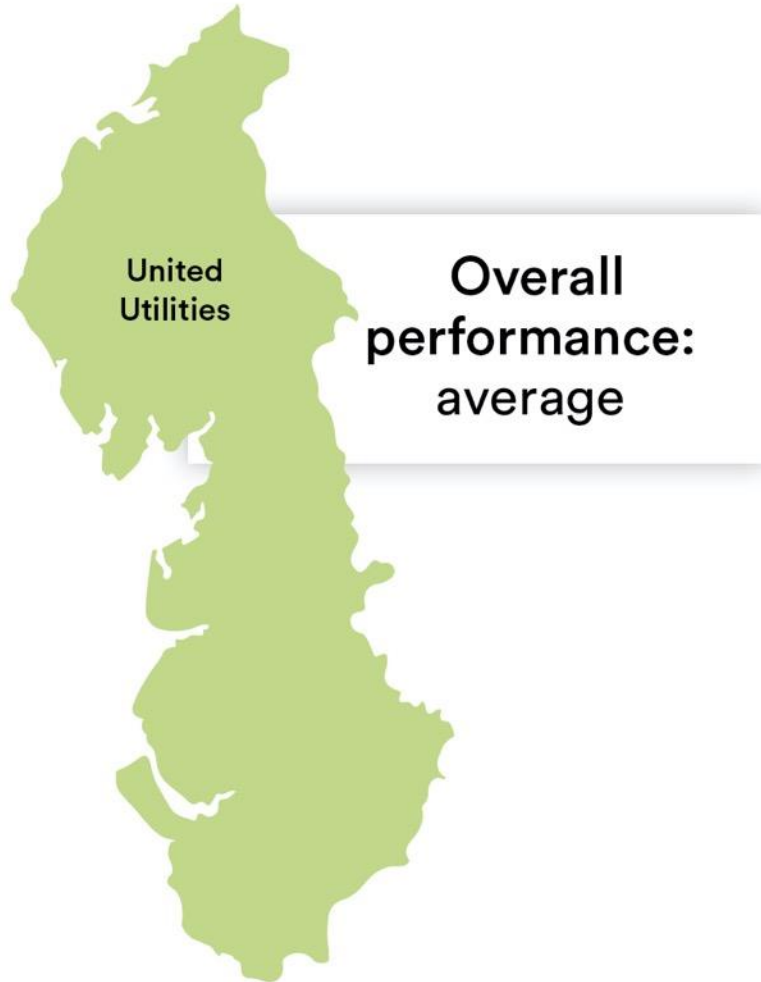
## Consequences of poor performance:

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.



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 property per day.

Companies with the lowest numbers perform better.

United Utilities has not met its target for this metric last year

United Utilities are ranked 16<sup>th</sup> of 19 companies on this measure



Better performance



Poorer performance

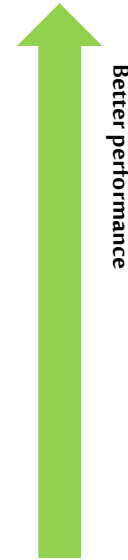
Company	Performance
Bristol	65.04
Northumbrian (Essex & Suffolk)	76.4
Portsmouth	77.02
SES Water	78.68
Anglian	80.18
Southern	83.17
South East	87.63
Cambridge	90.67
Wessex	103.29
South West	107.71
Northumbrian	108.3
Affinity	108.65
Severn Trent	110.35
South Staffs	113.45
Yorkshire	122.91
<b>United Utilities</b>	<b><u>124.21</u></b>
Hafren Dyfrdwy	146.09
Thames	151.51
Welsh Water	158.8

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

Duration without water for more than 3 hours by minutes per property. **Companies with the lowest numbers perform better.**

**United Utilities has not met its target for this metric last year**

**United Utilities are ranked 7<sup>th</sup> of 17 companies on this measure**



Better performance



Poorer performance

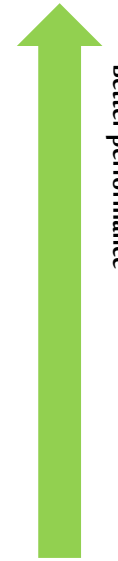
Company	Performance
Portsmouth	00:02:21
Bristol	00:02:31
SES Water	00:02:58
South Staffs & Cambridge	00:03:15
Affinity	00:03:43
Wessex	00:04:12
<b><u>United Utilities</u></b>	<b><u>00:07:58</u></b>
Southern	00:09:22
Anglian	00:09:48
Yorkshire	00:10:38
Thames	00:11:03
Northumbrian	00:11:45
Severn Trent	00:12:39
South West	00:13:40
Welsh Water	00:16:12
Hafren Dyfrdwy	00:37:28
South East	01:12:33

# 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. **Companies with the lowest numbers perform better.**

United Utilities has not met its target for this metric last year

United Utilities are ranked 16<sup>th</sup> of 17 companies on this measure



Better performance



Poorer performance

Company	Performance
Portsmouth	0.41
Thames	0.49
SES Water	0.58
Affinity	0.73
South Staffs & Cambridge	0.76
Severn Trent	0.93
Northumbrian	0.97
Anglian	1.03
Yorkshire	1.09
Southern	1.1
Wessex	1.17
South East	1.34
Bristol	1.38
South West	1.55
Hafren Dyfrdwy	1.71
<b>United Utilities</b>	<b>1.79</b>
Welsh Water	2.38

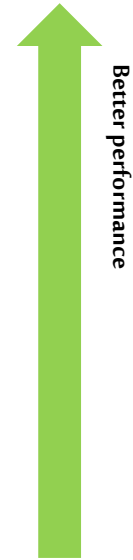
# Water companies measured on the number of incidents of pollution of rivers and streams

Number of incidents per 10,000 km of sewer.

Companies with the lowest numbers perform better.

United Utilities has met its target for this metric last year

United Utilities are ranked 1<sup>th</sup> of 11 companies on this measure



Better performance



Poorer performance

Company	Performance
<b><u>United Utilities</u></b>	<b><u>17.71</u></b>
Wessex	20.60
Severn Trent	21.81
Welsh Water	22.90
Northumbrian	22.98
Thames	24.87
Yorkshire	27.36
Anglian	33.75
Hafren Dyfrdwy	39.84
South West	86.58
Southern	93.63

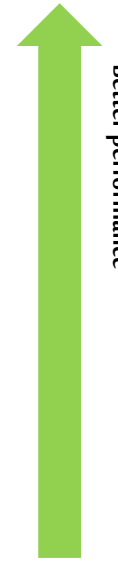
# Water companies measured on the incidents of sewage flooding properties

Number of properties affected, per 10,000.

**Companies with the lowest numbers perform better.**

United Utilities has not met its target for this metric last year

United Utilities are ranked 9<sup>th</sup> of 11 companies on this measure



Better performance



Poorer performance

Company	Performance
South West	0.76
Welsh Water	1.36
Wessex	1.42
Severn Trent	1.61
Anglian	1.73
Northumbrian	1.84
Hafren Dyfrdwy	2.34
Yorkshire	2.83
<u>United Utilities</u>	<u>2.97</u>
Southern	3.04
Thames	3.46

# Water companies measured on the incidents of sewage flooding gardens or outbuildings

Number of properties affected, per 10,000.

Companies with the lowest numbers perform better.

United Utilities has met  
its target for this metric last year

United Utilities are ranked 4<sup>th</sup>  
of 11 companies on this measure



Better performance



Poorer performance

Company	Performance
Thames	9.4
Severn Trent	10.8
Anglian	14.55
<b><u>United Utilities</u></b>	<b><u>18.12</u></b>
South West	18.13
Hafren Dyfrdwy	19.05
Wessex	19.19
Yorkshire	19.52
Southern	19.53
Welsh Water	26.27
Northumbrian	26.64



# Pre-task: What customers' bills pay for

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

