



# Northumbrian Water Limited

## Acceptability and Affordability Testing

Research Report Appendices

August 2023

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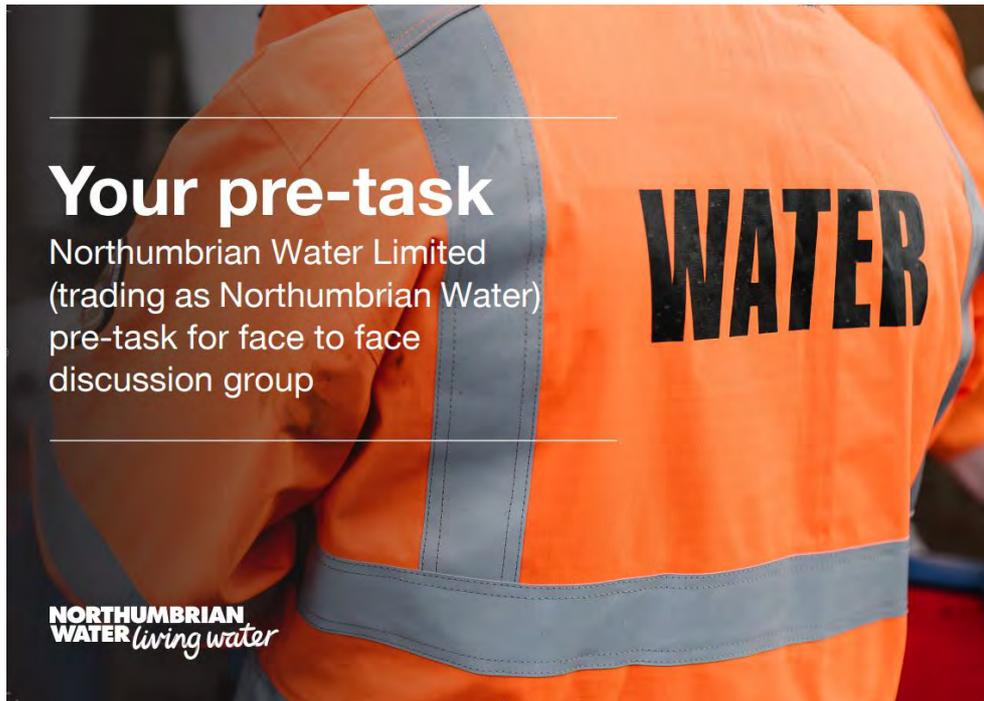
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# Appendix 1 - pre-task brochure - NW

## - household





## Welcome

**Thank you for agreeing to take part in this research.**

**The research is about your views on the services that you receive from Northumbrian Water.**

This pre-task contains some information that will be useful for you to know. Don't worry if you don't understand or remember all the information, we'll recap it with you when we meet, and you'll be given the opportunity to ask questions.

As you work through this pre-task, there will be points to pause and reflect on what you have learnt. When you get to the end of the pre-task, there's a very short survey for you to complete.

When we meet, we'll start by discussing your reactions to the information. As you work through it, please make note of the three or four things that are new / interesting / surprising to you.

Please, remember, there are no right or wrong answers – **your opinion is important.**

## Introduction

We'd like to start by telling you about the water industry in England and Wales, and specifically about Northumbrian Water – your local company.

Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services.

In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

Northumbrian Water Limited provides water and wastewater services in the North East of England trading as Northumbrian Water. It provides those services to 2.7 million people, serving 1.1 million homes and 67,000 businesses.

It also provides water only services in parts of South East England, trading as Essex & Suffolk Water.

Hartlepool Water supply water only services in a small part of the Northumbrian Water area. So, if you live in Hartlepool, Hartlepool Water provides your drinking water and Northumbrian Water takes your wastewater away.

The major population centres of Tyneside, Wearside and Teesside are in its operating area, and it also serves large rural communities in Northumberland and County Durham.



Northumbrian Water's operating area

Every day Northumbrian Water Limited supplies 1,104 megalitres (1.1 billion litres) of water – equal to 441 Olympic size swimming pools.

This water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at its water treatment works before it is delivered through a network of pipes to homes and businesses.

Wastewater is then collected from properties via the sewerage network and treated at their wastewater treatment works to make it safe and clean enough to release it into the environment, putting the cleaned water back into rivers and the sea. The sludge remaining after the wastewater treatment process is recycled as fertiliser or used to generate energy.

At times of heavy rainfall Northumbrian Water's pipes can reach full capacity and there's a risk that rainwater, wastewater, and other items incorrectly flushed into the wastewater network can escape.

Storm overflows act as a relief valve, releasing this heavily diluted mix, which is mostly rainwater, back into rivers and the sea. This helps to prevent streets, homes and businesses from flooding. The Environment Agency permits how and when storm overflows can be used.

This research is focused on Northumbrian Water's proposed business plan for 2025-30. Northumbrian Water wants to hear your views about its proposed plan.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Northumbrian Water pre-task | 5

## Business plan development



We'd now like to tell you how Northumbrian Water and all the other water and wastewater companies in England and Wales develop their business plans and about the role of Ofwat, the economic regulator for the water industry.

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.

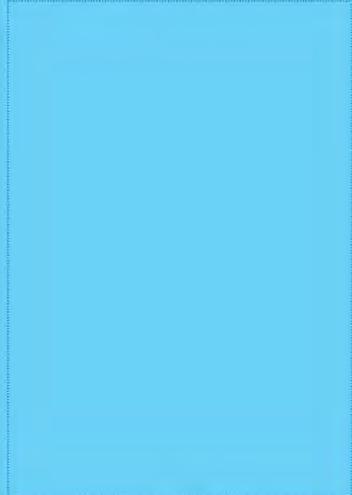
One of the ways that people have their say is through this research, which will explain what the plans are for where you live, and ask what you think – whether the plans are 'acceptable' to you and whether you can afford the proposed bills from 2025-2030.

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.

There is more information about Ofwat here: [www.ofwat.gov.uk](http://www.ofwat.gov.uk).

There is more information about the Price Review here: 'All about the price review'. Available at: [www.youtube.com/watch?v=OWmivC93AF8](https://www.youtube.com/watch?v=OWmivC93AF8).

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.



## The services Northumbrian Water provides

We'd now like to tell you about the services Northumbrian Water provides.

Northumbrian Water's Purpose is:

“Caring for the essential needs of our communities and environment, now and for generations to come. We do this by providing reliable and affordable water and wastewater services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.”

Here are some of the ways it does this.

### Reliable services and unrivalled customer experience

When you turn on your tap to make a cup of tea, have a shower or wash up, you expect clean, clear, and great tasting water to flow.

It's Northumbrian Water's job to make sure this happens. It is also responsible for taking wastewater away and treating it, so it can be safely returned to the natural environment.

Northumbrian Water wants its services to be recognised as unrivalled. This is about delivering superb value for money and making every interaction with its customers one to be talked about for all the right reasons.

### Caring for the long-term needs of the environment

The water environment is critical to Northumbrian Water's business.

Caring for the environment is right at the heart Northumbrian Water's purpose. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

Northumbrian Water's care and respect for our natural environment goes far beyond any regulatory requirements. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

### Sustainability and resilience

Global warming is disrupting our climate and causing serious challenges to the world's water supply.

Wind and flooding are already a problem, with the impact from storms increasing in recent years.

Northumbrian Water is addressing the risks from flooding and power failures now so that it can maintain supplies for its customers in future.

### Affordable and inclusive services

As the cost of living and household bills rise, Northumbrian Water understands it's a difficult time for many.

There are many ways it helps customers who are genuinely struggling to pay their water and wastewater bills including payment plans, low-income discounts and advice on saving water.

Northumbrian Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.

### Efficiency and prudent investment

Northumbrian Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Northumbrian Water rank in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.

### Caring for communities

Northumbrian Water encourages its employees to give back a minimum of 15 hours every year to support communities and charitable organisations through its employee volunteering scheme.

They also have community foundation funds to give grants to projects that set out to improve the health, education and environment of the communities it serves.

To support the local economy, Northumbrian Water spends 60p of every £1 in the North East. This includes large investments to improve the environment.



This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

## How a water company's performance is monitored.

We'd now like to tell you about how a water company's performance is monitored.

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.

Ofwat allows companies that have provided better than promised service to earn financial rewards. All customers contribute towards the reward through an increase in their bill.

Ofwat penalises companies that have provided worse than promised service. The penalty means they must reduce all customers' bills to compensate for the poor service they have delivered.

Water companies must 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 several reasons. For example, leaks from pipes happen more often after very cold weather.

In November 2021, Storm Arwen caused widespread disruption including power outages across Northumbrian Water's region which in turn meant water could not be pumped to homes and business in some areas. This resulted in the company failing to meet its performance commitment for interruptions to supply.

Here's how Northumbrian Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22. Northumbrian Water's overall performance resulted in a penalty to the company of £3.6m.

This meant that all customers' bills were reduced by 0.5%, which is £1.84 off the average water and wastewater bill.

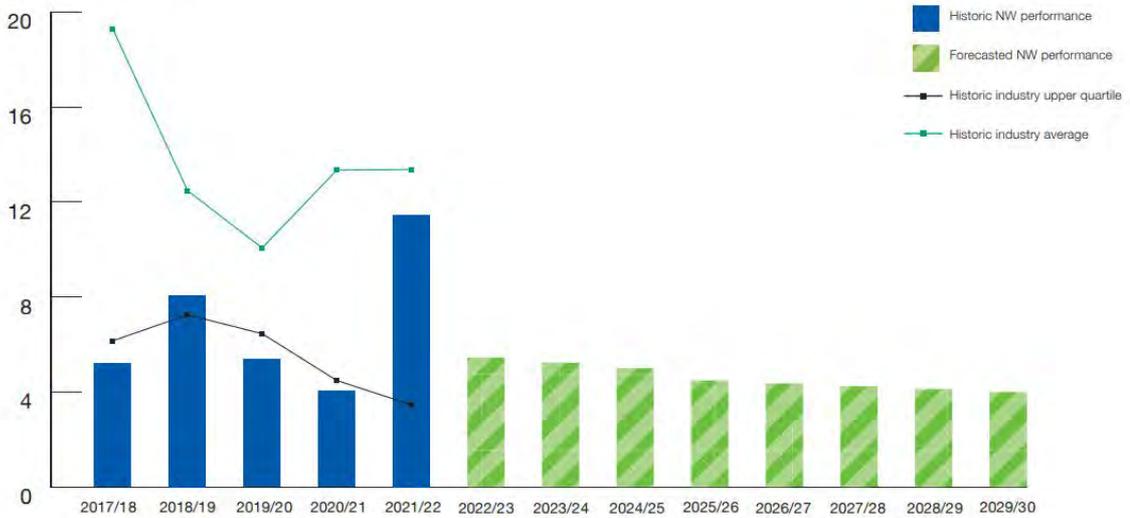
We are now going to show you how well your water and sewerage company is doing on some of their performance commitments, compared to other water companies in England and Wales.

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.

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Sewage flooding of properties	An escape of sewage inside properties is highly inconvenient, disruptive and a potential health risk. In bad cases, people need to move out of their properties while things are put right.
 Sewage flooding of properties	An escape of sewage into gardens or access points to peoples' properties is inconvenient and unpleasant and can restrict access.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.
 Pollution of rivers and bathing waters	Discharges from sewage treatment or networks can affect rivers and bathing waters. This can have a minimal effect on the river ecology or a major effect depending on the scale.

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

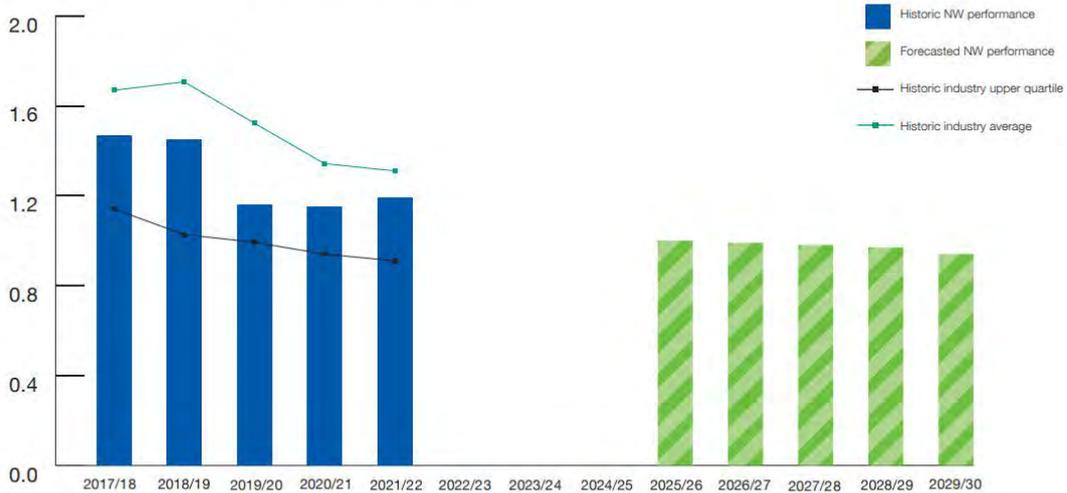
Duration without water for more than 3 hours by minutes per property.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

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

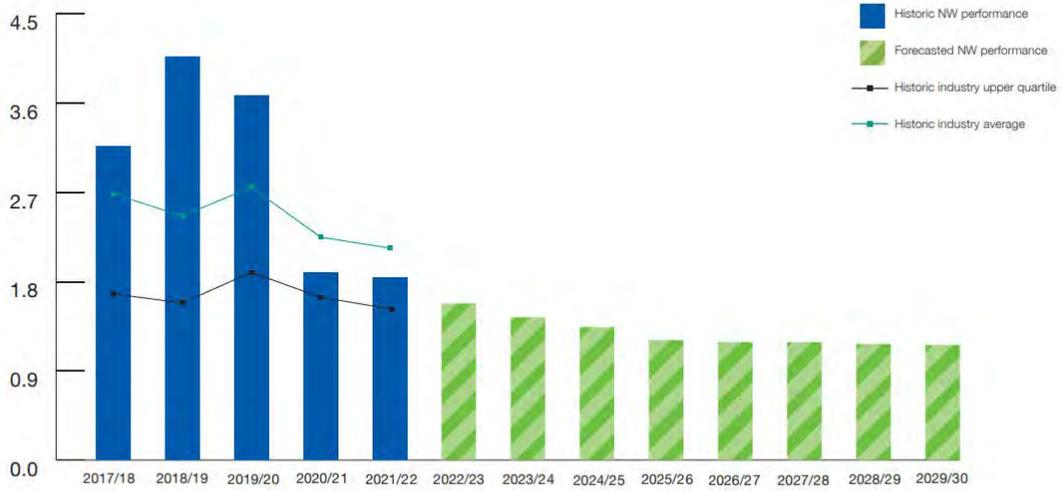
Number of customer contacts received regarding incidents, per 1,000 properties.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
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**Northumbrian Water measured on the incidents of sewage flooding properties.**

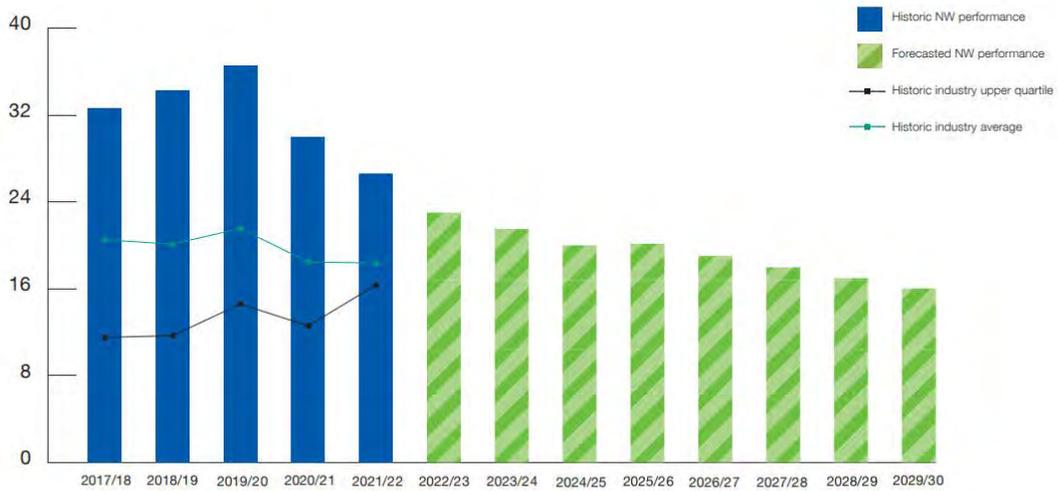
Number of properties affected, per 10,000.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
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**Northumbrian Water measured on the incidents of sewage flooding gardens or outbuildings.**

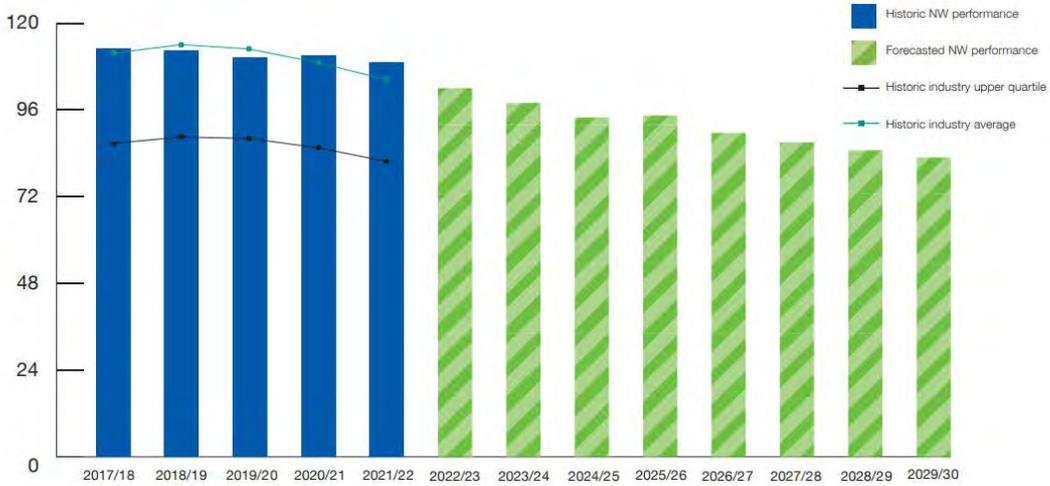
Number of properties affected, per 10,000.  
 (A lower bar / number is better.)



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

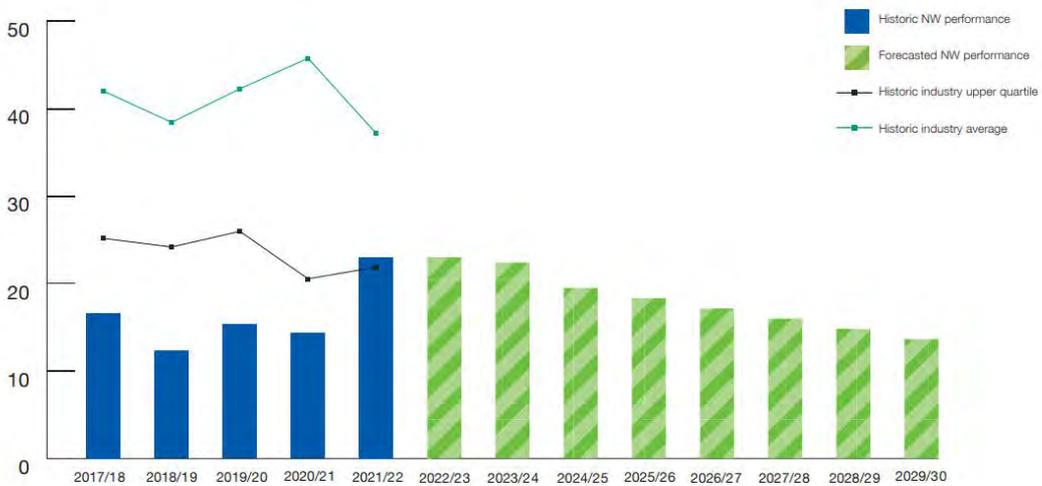
Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)



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**Northumbrian Water 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.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
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 PR24 (2025-2030): NWL Forecast Analysis

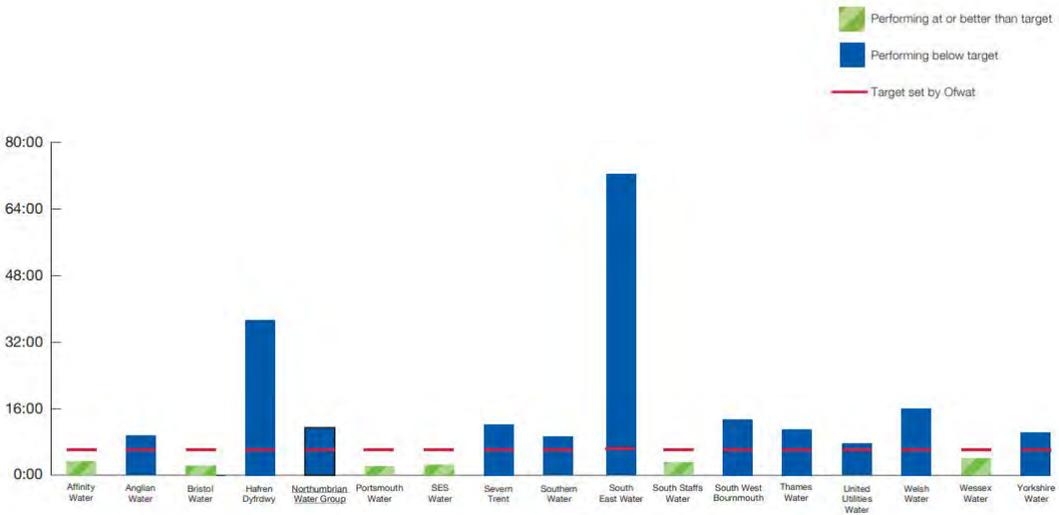
In addition, the graphs on the following pages show how Northumbrian Water has performed across its targets, compared with other companies. A definition of each target can be found on the right:

You can find more information about your water and sewerage company's comparative performance at [www.discoverwater.co.uk](http://www.discoverwater.co.uk).

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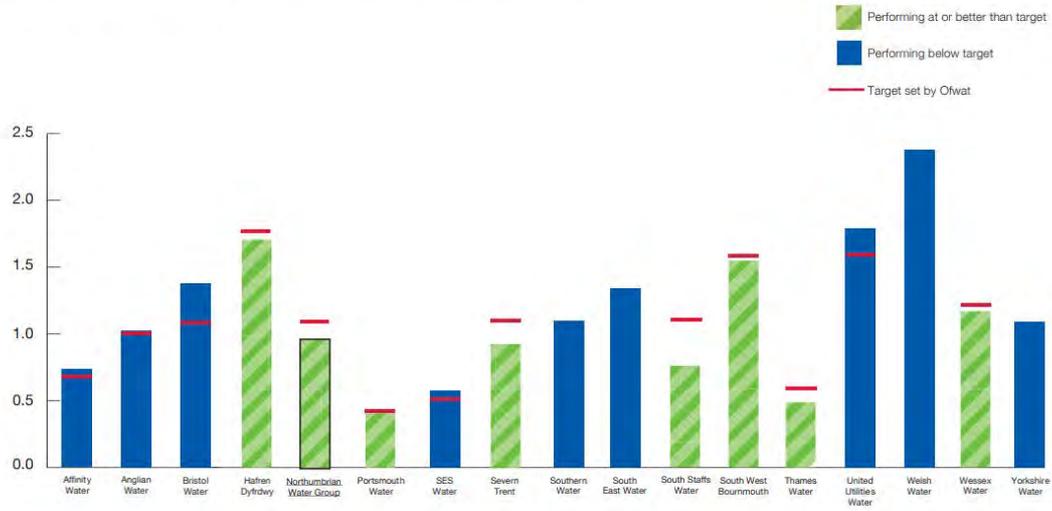
**Water companies measured on the length of time properties are without water.**

Duration without water for more than 3 hours by minutes per property.  
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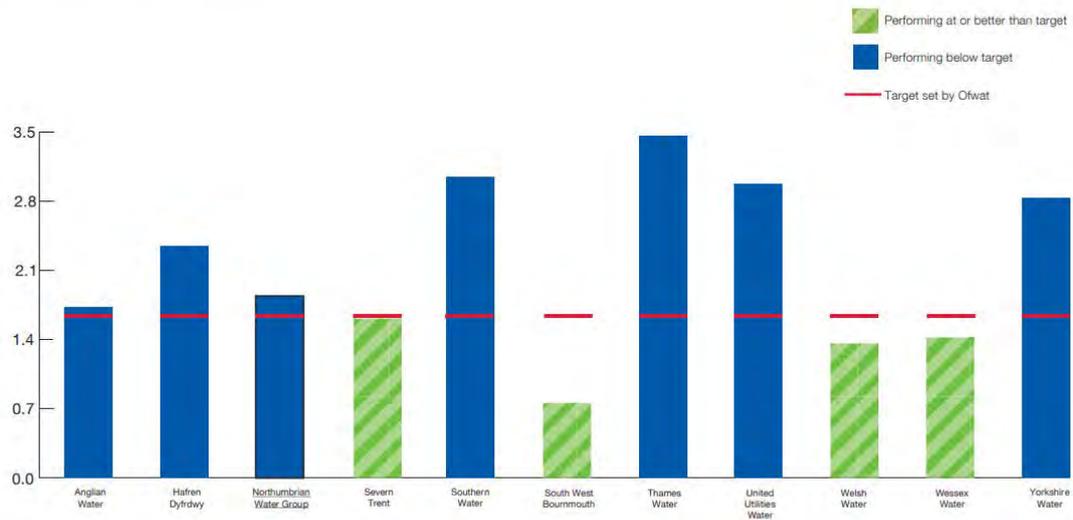
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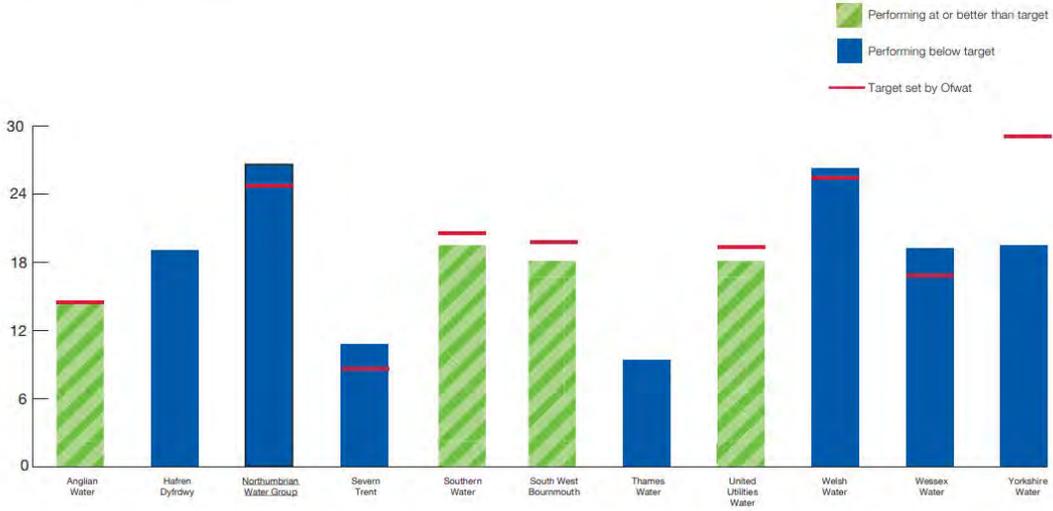
**Water companies measured on the incidents of sewage flooding properties.**

Number of properties affected, per 10,000.  
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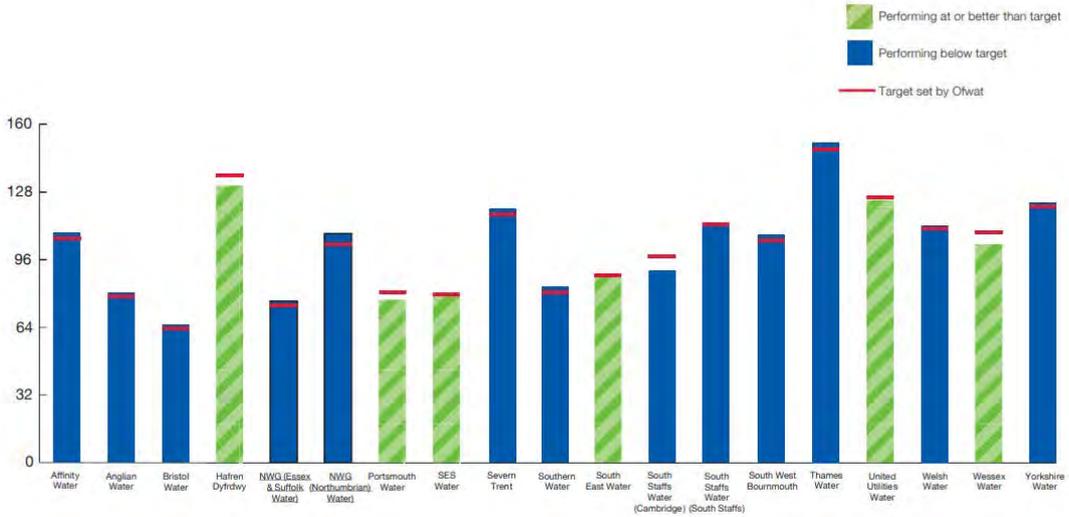
**Water companies measured on the incidents of sewage flooding gardens or outbuildings.**

Number of properties affected, per 10,000.  
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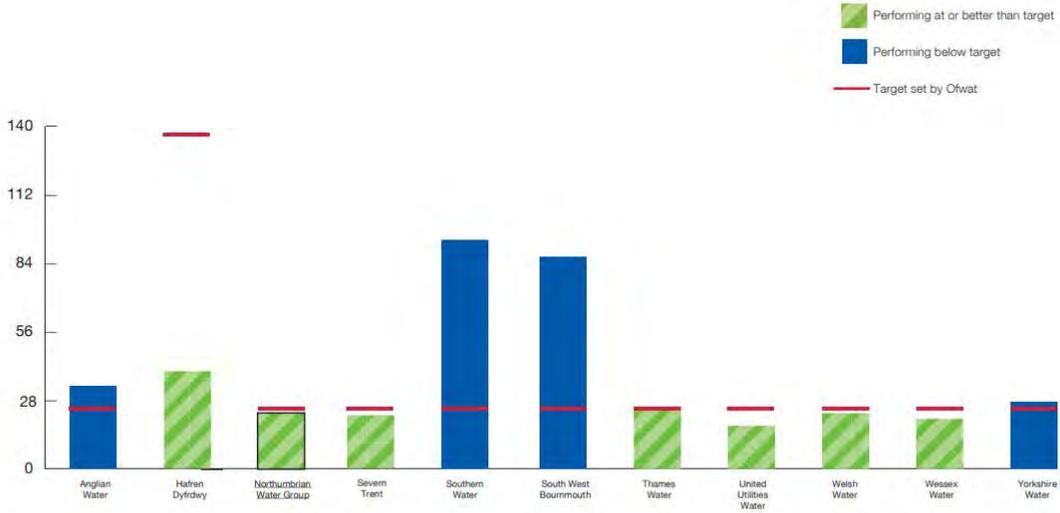


**Water companies measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
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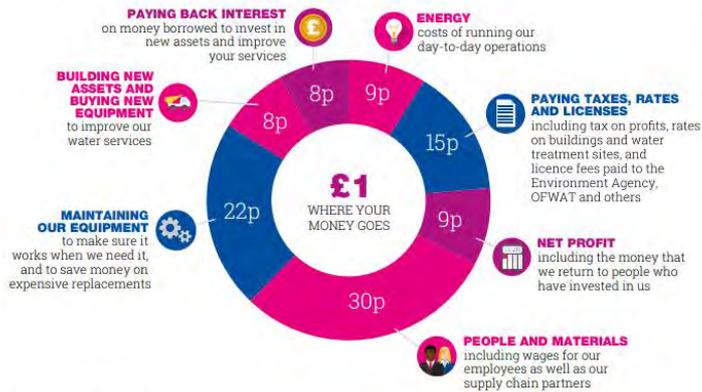


**Water companies measured on the number of incidents of pollution of rivers and streams.**  
 Number of incidents per 10,000km of sewer.  
 (A lower bar / number is better.)



**Where your money goes**

The current average household customer bill for Northumbrian Water customers is £362 per year. This image shows where this money goes.



Breakdown of costs for water and wastewater services per £1 for Northumbrian Water customers:

- Water 48p
- Wastewater 52p

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.



## Northumbrian Water's proposed business plan for 2025 to 2030

Now you have learnt about Northumbrian Water, the business plan process, and its performance to date, we want to share Northumbrian Water's proposed Business Plan for 2025-30.

This is what we will be talking about more when we meet.

Northumbrian Water's proposed Business Plan includes investment to meet all legal obligations set by regulators, improve service in areas that matter most to customers, and address future risks that could cause interruption to your water and wastewater supply.

### Improvements in the areas that matter most to customers

By using technology and innovation to drive efficiency, and investing prudently, Northumbrian Water's plan will deliver the service levels shown on the next page.

	Current service level (2021/22 performance)	Current Northumbrian Water performance compared to other companies	Proposed improved service level	Proposed Northumbrian Water performance compared to other companies
 Water supply interruptions, without warning, for longer than 3 hours	11 minutes 45 seconds per customer	Mid-table	4 minutes per customer	Top 25% of companies
 Reducing leaks	104.9 litres per property per day	Mid-table	84.5 litres per property per day	Mid-table
 The appearance, taste and smell of tap water	1.19 contacts per 1,000 customers	Top 50% of companies	0.94 contacts per 1,000 customers	Top 50% of companies
 Internal sewage flooding of properties	1.84 sewer flooding instances per 10,000 properties	Mid-table	1.16 sewer flooding instances per 10,000 properties	Top 25% of companies
 External sewage flooding of properties	26.64 sewer flooding instances per 10,000 properties	Bottom 50% of companies	16.03 sewer flooding instances per 10,000 properties	Top 50% of companies
 Pollution of rivers and bathing waters	22.98 pollution incidents per 10,000km of sewers	Top 25% of companies	13.65 pollution incidents per 10,000km of sewers	Top 25% of companies

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#### Additional investments

The proposed plan also includes additional investments to meet statutory obligations (rules set by regulators), meet customer needs, or address future risks.

These investments will result in bills increasing. This is largely because of investment Northumbrian Water **must do by law**, for example to meet new environmental standards. Northumbrian Water does not have a choice and must make these investments and charge all its customers accordingly.

This graphic shows how the current average customer bill would change by 2030 based on the investment proposed.

The table on the right shows five of the investments, which we will discuss in more detail in our session. The costs are all included in the £470.28 total proposed bill as are other must-do and additional investments.



This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage		Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	£15.83
Storm overflows		Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In these cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas. Minimum investment in 2025-30, pushing back as much investment as possible until after 2030 and choosing the cheapest options for tackling storm overflows	£20.92
Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£6.24
Investment in regional flooding		Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.	£2.28
Resilience – climate change adaptation		Protecting water and wastewater treatment works from severe weather brought about by climate change to avoid services being interrupted.	£5.63
Storm overflows		This would tackle more storm overflows into bathing water now, rather than delaying these until after 2030. This also includes more green solutions.	£12.41

## How bills have changed over time

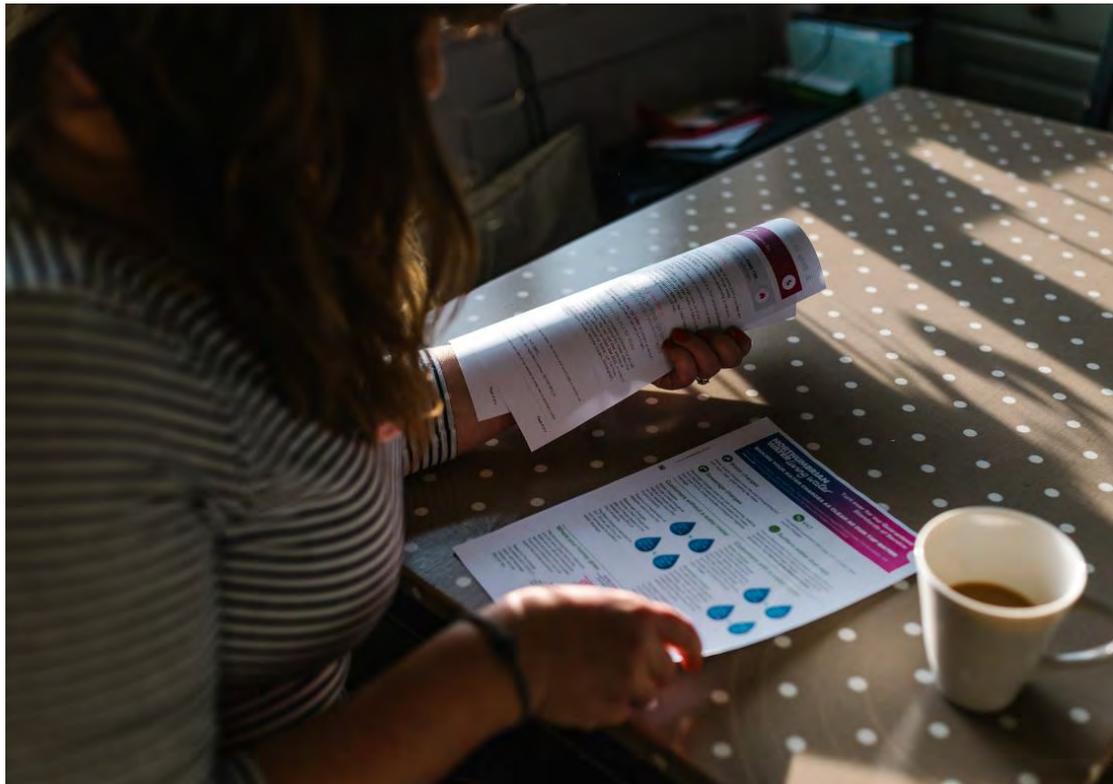
Northumbrian Water bills are currently 11% lower than they were three years ago and are lower than any other water and wastewater company in England.

The average Northumbrian Water customer bill in 2019/2020 was £412 and has since reduced to £365 in 2022/2023. This is because Northumbrian Water's Business Plan for 2020-25 **reduced customer bills**.

Northumbrian Water customers also currently have one of the **lowest average bills** of any combined water and wastewater company in England and Wales.

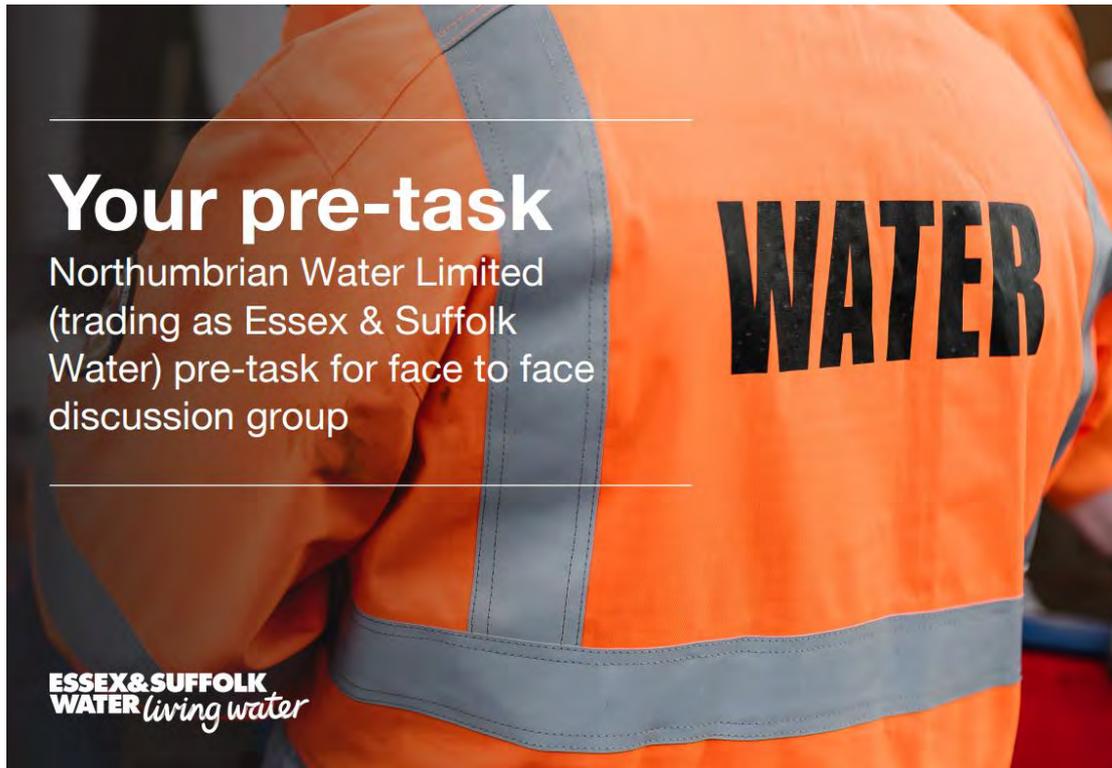
All water and wastewater companies must make the same investment related to statutory obligations or regulations and so bills are expected to increase across England and Wales from 2025-30.

Water and wastewater company	Average customer bill for 2022/2023
South West Water	£472
Wessex Water	£470
Welsh Water	£463
Anglian Water	£452
Thames Water	£423
United Utilities	£422
Yorkshire Water	£419
Southern Water	£402
Severn Trent Water	£389
Northumbrian Water	£362
Hafren Dyfrdwy	£334
Industry average	£419





# Appendix 2 - pre-task brochure – ESW - household



## Welcome

Thank you for agreeing to take part in this research.

The research is about your views on the services that you receive from Essex & Suffolk Water.

This pre-task contains some information that will be useful for you to know. Don't worry if you don't understand or remember all the information, we'll recap it with you when we meet, and you'll be given the opportunity to ask questions.

As you work through this pre-task, there will be points to pause and reflect on what you have learnt. When you get to the end of the pre-task, there's a very short survey for you to complete.

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Please, remember, there are no right or wrong answers – **your opinion is important.**



2 | Essex & Suffolk Water pre-task

## Introduction

We'd like to start by telling you about the water industry in England and Wales, and specifically about Essex & Suffolk Water – your local company.

Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services. In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

Northumbrian Water Limited provides water only services in the South East of England, trading as Essex & Suffolk Water. It provides water to 1.8 million people across 400,000 homes and 43,000 businesses.

It also provides water and wastewater services in the North East of England, trading as Northumbrian Water.

Essex & Suffolk Water serves a population of 1.5 million in Essex. This area is part rural and part urban with the main areas of population being in Chelmsford, Southend and the London Boroughs of Barking and Dagenham, Havering and Redbridge.

In Suffolk Essex & Suffolk Water serves a population of 0.3 million, which is mainly rural with the biggest towns being Great Yarmouth and Lowestoft.



Essex & Suffolk Water's operating area

Essex & Suffolk Water pre-task | 3

Every day Northumbrian Water Limited supplies 1,104 megalitres (1.1 billion litres) of water – equal to 441 Olympic size swimming pools.

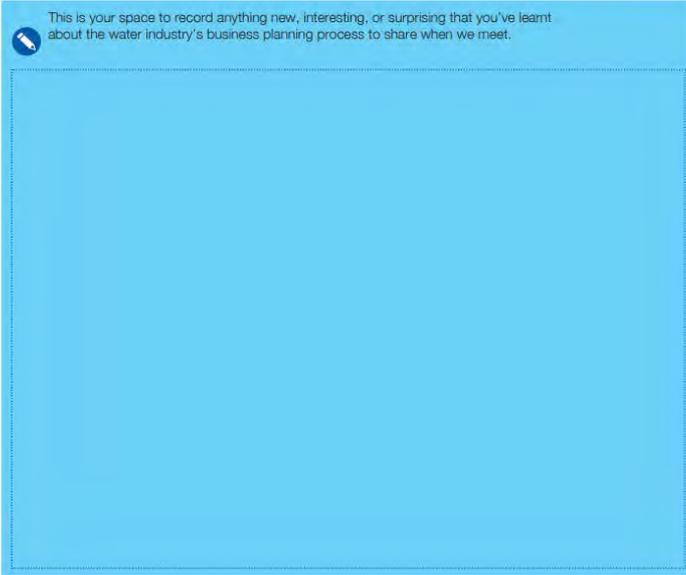
This water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at a water treatment works before it is delivered through a network of pipes to homes and businesses.

Wastewater is then collected from properties via the sewerage network and treated at wastewater treatment works to make it safe and clean enough to release back into rivers and the sea. This service is provided for you by either Thames Water or Anglian Water.

This research is focused on Essex & Suffolk Water's proposed business plan for 2025-30. Essex & Suffolk Water wants to hear your views about its proposed plan.

Essex & Suffolk Water wants to hear your views about its proposed plan.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.



## The water industry's business planning process



**We'd now like to tell you how Essex & Suffolk Water and all the other water and wastewater companies in England and Wales develop their business plans and about the role of Ofwat, the economic regulator for the water industry.**

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.

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.

There is more information about Ofwat here: [www.ofwat.gov.uk](http://www.ofwat.gov.uk).

There is more information about the Price Review here: 'All about the price review'. Available at: [www.youtube.com/watch?v=OWmivC93AF8](https://www.youtube.com/watch?v=OWmivC93AF8).

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

6 | Essex & Suffolk Water pre-task

## The services Essex & Suffolk Water provides

We'd now like to tell you about the services Essex & Suffolk Water provides.

Essex & Suffolk Water's Purpose is:

“Caring for the essential needs of our communities and environment, now and for generations to come. We do this by providing reliable and affordable water and wastewater services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.”

Here are some of the ways it does this.

 **Reliable services and unrivalled customer experience**

When you turn on your tap to make a cup of tea, have a shower or wash up, you expect clean, clear, and great tasting water to flow.

It's Essex & Suffolk Water's job to make sure this happens.

Essex & Suffolk Water wants its services to be recognised as unrivalled. This is about delivering superb value for money and making every interaction with its customers one to be talked about for all the right reasons.

 **Caring for the long-term needs of the environment**

The water environment is critical to Essex & Suffolk Water's business.

Caring for the environment is right at the heart of Essex & Suffolk Water's purpose. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

 **Sustainability and resilience**

Global warming is disrupting our climate and causing serious challenges to the world's water supply.

Wind and flooding are already a problem. The impact from storms has increased in recent years. Essex & Suffolk Water is addressing the risks from flooding and power failures at water treatment works and pumping stations now, so that it can maintain supplies for its customers in future.

Summers are getting hotter. Essex & Suffolk Water is investing in new water supplies to make sure that both customers and the environment continue to have the water they need, even in times of drought.

Essex & Suffolk Water pre-task | 7

**Affordable and inclusive services**

As the cost of living and household bills rise, Essex & Suffolk Water understands it's a difficult time for many.

There are many ways it helps customers who are genuinely struggling to pay their water bills including payment plans, low-income discounts and advice on saving water.

Essex & Suffolk Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.

**Efficiency and prudent investment**

Essex & Suffolk Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Essex & Suffolk Water rank in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.

**Caring for communities**

Essex & Suffolk Water supports the Essex & Suffolk Water encourages its employees to give back a minimum of 15 hours every year to support communities and charitable organisations through its employee volunteering scheme.

It also has community foundation funds to give grants to projects that set out to improve the health, education and environment of the communities it serves.

To support the local economy, Essex & Suffolk Water spends 60p of every £1 in the Essex and Suffolk area. This includes large investments to improve the environment.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

## How a water company's performance is monitored.

**We'd now like to tell you about how a water company's performance is monitored.**

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.

Ofwat allows companies that have provided better than promised service to earn financial rewards. All customers contribute towards the reward through an increase in their bill.

Ofwat penalises companies that have provided worse than promised service. These companies must reduce all customers' bills to compensate for the poor service they have delivered.

Water companies must provide reliable services, and plan to be resilient to changing weather patterns and demand from consumers. Companies can miss or exceed performance commitment targets for several reasons.

In December 2022 there was a freeze-thaw event in Essex. Temperatures dropped to a low of -7 degrees on 17 December, and thawed to a high of 14 degrees two days later. This caused a 133% rise in leaks from water pipes and 4,800 properties were without water for one hour or more.

This event significantly contributed to Essex & Suffolk Water missing their target around interruptions to supply.

Here's how Essex & Suffolk Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22. Essex & Suffolk Water's overall performance resulted in a penalty to the company of £3.6m.

This meant that all customers' bills were reduced by 0.5%, which is £1.24 off the average water bill.

We are now going to show you how well your water and sewerage company is doing on some of their performance commitments, compared to other water companies in England and Wales.

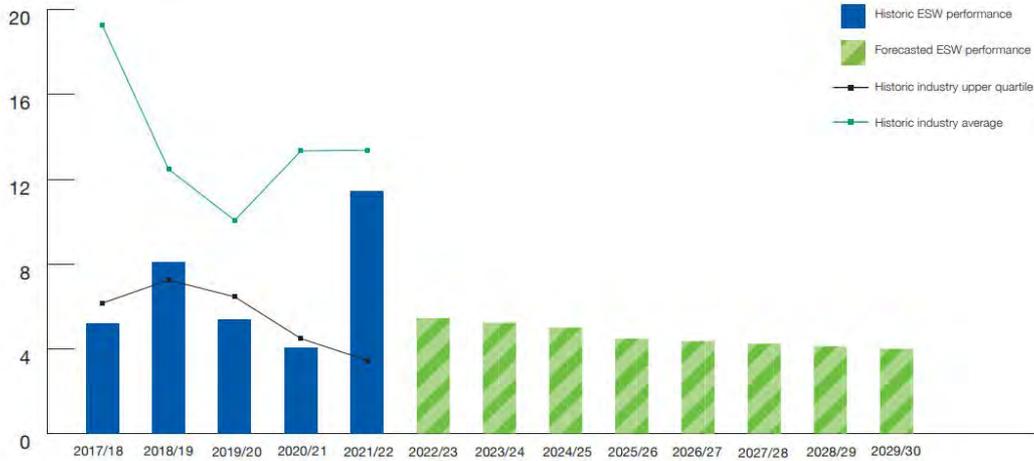
These performance commitments are a snapshot out of the wide range of services companies provide. We are showing these examples as customers have told us they are particularly important to them.

The graphs on the following pages show how Essex & Suffolk Water has performed across its targets over time. A definition of each target can be found on the right:

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.

**Essex & Suffolk Water measured on the length of time properties are without water.**

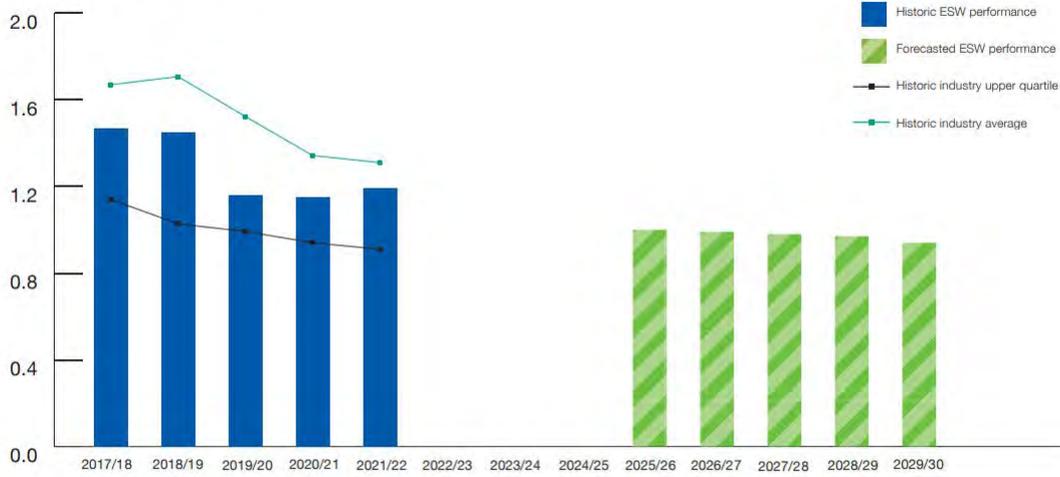
Duration without water for more than 3 hours by minutes per property.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

**Essex & Suffolk Water measured on the number of customer contacts regarding the appearance, taste and smell of tap water.**

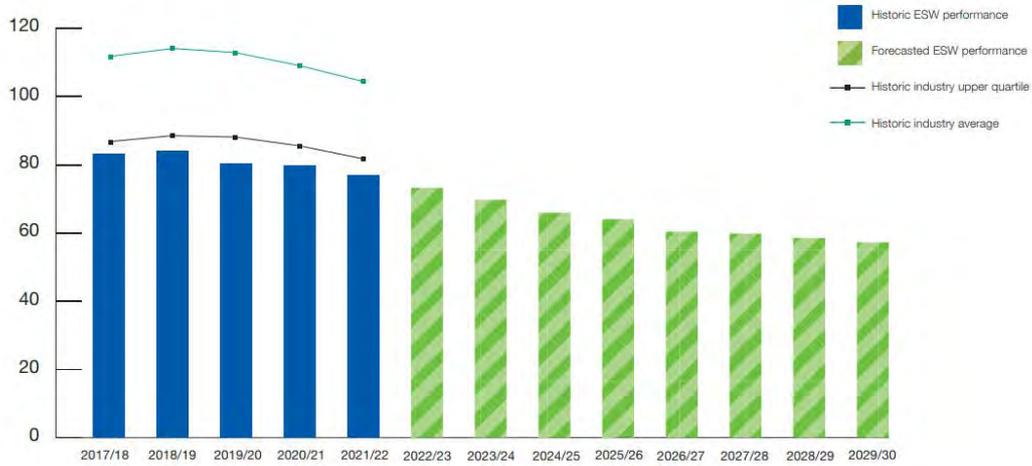
Number of customer contacts received regarding incidents, per 1,000 properties.  
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Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
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 PR24 (2025-2030): NWL Forecast Analysis

**Essex & Suffolk Water measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

In addition, the graphs on the following pages show how Essex & Suffolk Water has performed across its targets, compared with other companies. A definition of each target can be found on the right:

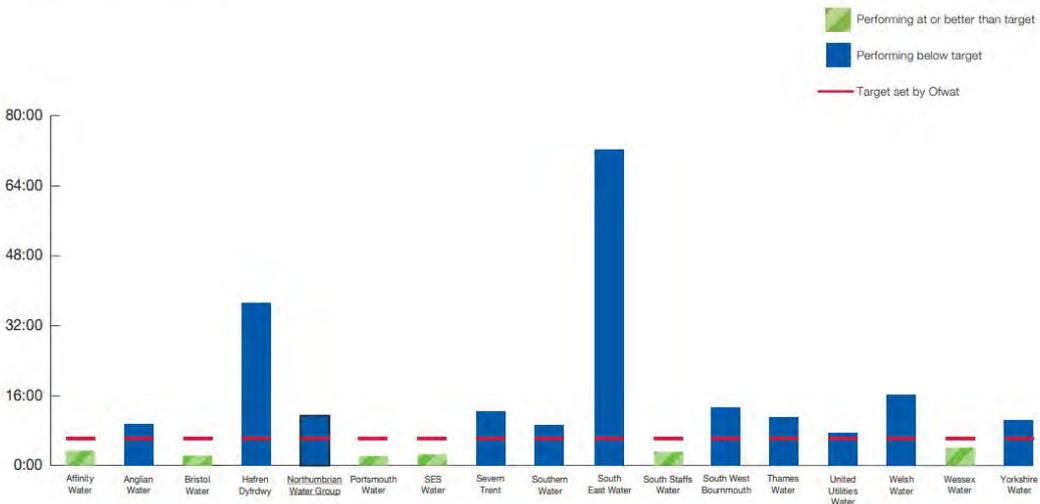
You can find more information about your water and sewerage company's comparative performance at [www.discoverwater.co.uk](http://www.discoverwater.co.uk).

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.

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

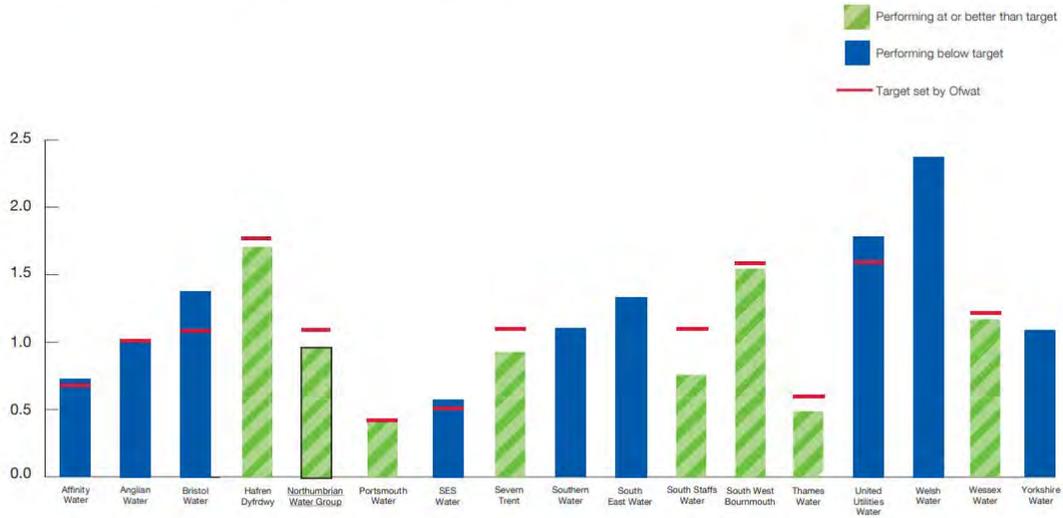
Duration without water for more than 3 hours by minutes per property.

**(A lower bar / number is better.)**



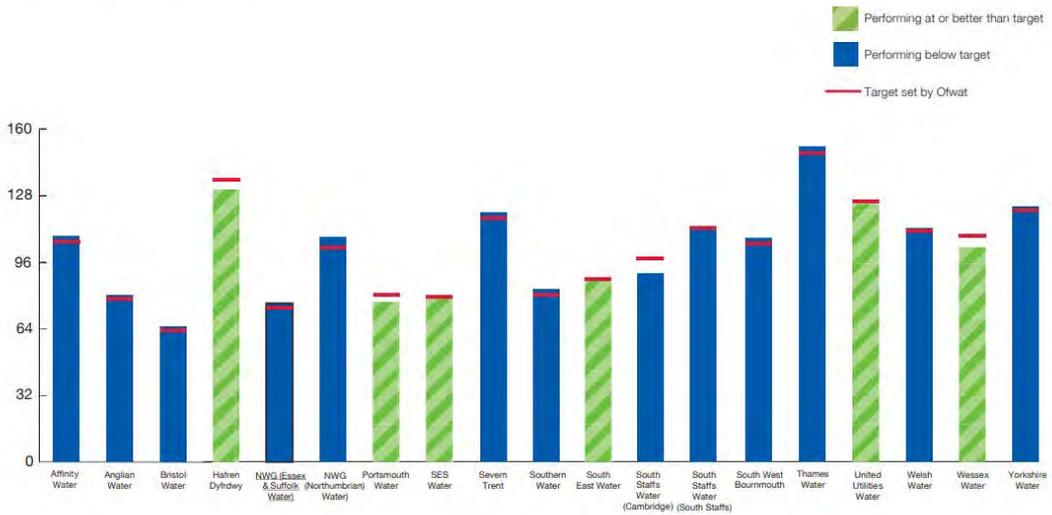
**Water companies measured on the number of customer contacts regarding the appearance, taste and smell of tap water.**

Number of customer contacts received regarding incidents, per 1,000 properties.  
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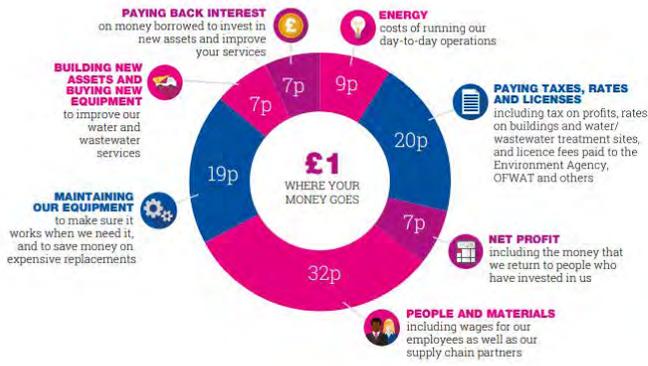
**Water companies measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)



Where your money goes

The current average household customer bill for Essex & Suffolk Water customers is £245 per year. This image shows where this money goes.



This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

## Essex & Suffolk Water's proposed business plan for 2025 to 2030



Now you have learnt about Essex & Suffolk Water, the business plan process, and its performance to date, we want to share Essex & Suffolk Water's proposed Business Plan for 2025-30.

This is what we will be talking about more when we meet.

Essex & Suffolk Water's proposed Business Plan includes investment to meet all legal obligations set by regulators, improve service in areas that matter most to customers, and address future risks that could cause interruption to your water supply.

### Improvements in the areas that matter most to customers

By using technology and innovation to drive efficiency, and investing prudently, Essex & Suffolk Water's plan will deliver the service levels shown on the next page.

	Current service level (2021/22 performance)	Current Essex & Suffolk Water performance compared to other companies	Proposed improved service level	Proposed Essex & Suffolk Water performance compared to other companies
 Water supply interruptions, without warning, for longer than 3 hours	11 minutes 45 seconds per customer	Mid-table	4 minutes per customer	Top 25% of companies
 Reducing leaks	71.8 litres per property per day	Top 25% of companies	61.6 litres per property per day	Top 25% of companies
 The appearance, taste and smell of tap water	1.19 contacts per 1,000 customers	Top 50% of companies	0.94 contacts per 1,000 customers	Top 50% of companies

**Additional investments**

The proposed plan also includes additional investments to meet statutory obligations (rules set by regulators), meet customer needs, or address future risks.

These investments will result in bills increasing. This is largely because of investment Essex & Suffolk Water **must do by law**, for example to meet new environmental standards. Essex & Suffolk Water does not have a choice and must make these investments and charge all its customers accordingly.

This graphic shows how the current average customer bill would change by 2030 based on the investment proposed.

The table on the next page shows five of the investments, which we will discuss in more detail in our session. The costs are all included in the £302.77 total proposed bill as are other must-do and additional investments.



This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Essex & Suffolk Water pre-task | 21

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage		Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	£19.44
Securing water supplies		Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	£22.26
Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£5.48
Resilience – climate change adaptation		Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	£4.59

## How bills have changed over time

Essex & Suffolk Water bills are currently 4% lower than they were three years ago.

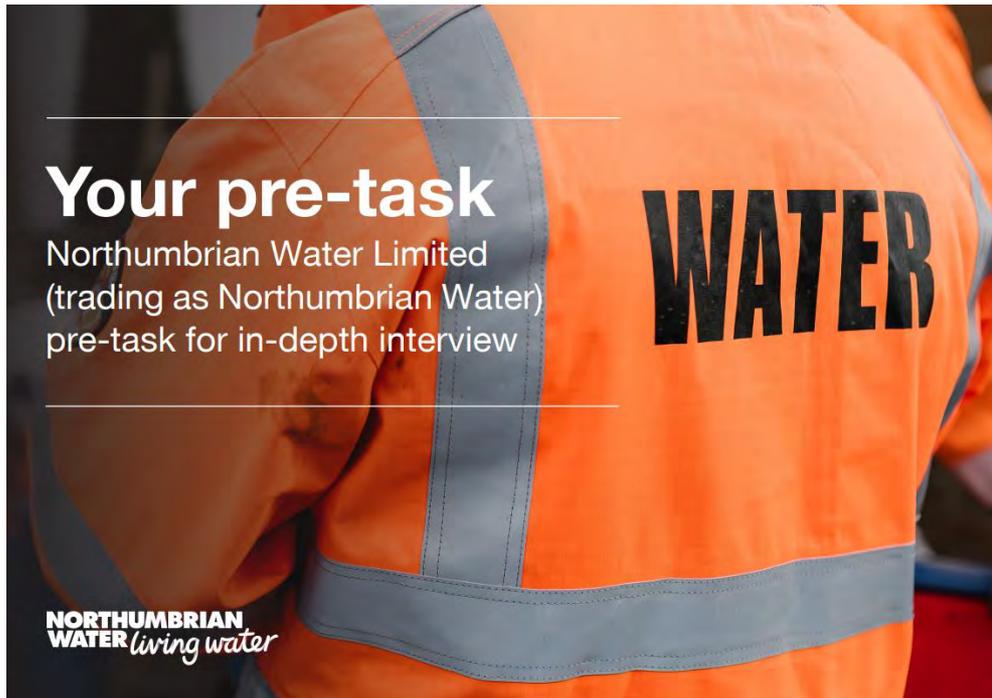
The average Essex & Suffolk Water customer bill in 2019/2020 was £256 and has since reduced to £245 in 2022/2023. This is because Essex & Suffolk Water's Business Plan for 2020-25 **reduced customer bills**.

All water companies must make the same investment related to statutory obligations or regulations and so bills are expected to increase across England and Wales from 2025-30.

Water company	Average customer bill for 2022/2023
Affinity Water (Central region)	£175
Affinity Water (East region)	£200
Affinity Water (South East region)	£225
Anglian Water	£202
Bournemouth Water	£142
Bristol Water	£202
Cambridge Water	£148
Welsh Water	£182
<b>Essex &amp; Suffolk Water</b>	<b>£245</b>
Hafren Dyfrdwy	£179
Northumbrian Water	£178
Portsmouth Water	£109
SES Water	£193
Severn Trent Water	£199
South East Water	£221
South Staffs Water	£160
South West Water	£218
Southern Water	£171
Thames Water	£232
United Utilities	£202
Wessex Water	£238
Yorkshire Water	£186
Industry average	£200

# Appendix 3 - pre-task brochure – NW

## – non-household





## Welcome

**Thank you for agreeing to take part in this research.**

**The research is about your views on the services that you receive from Northumbrian Water as a non-household customer.**

This pre-task contains some information that will be useful for you to know. Don't worry if you don't understand or remember all the information, we'll recap it with you when we meet, and you'll be given the opportunity to ask questions.

As you work through this pre-task, there will be points to pause and reflect on what you have learnt. When you get to the end of the pre-task, there's a very short survey for you to complete.

When we meet, we'll start by discussing your reactions to the information. As you work through it, please make note of the three or four things that are new / interesting / surprising to you.

Please, remember, there are no right or wrong answers – **your opinion is important.**

## Introduction

**We'd like to start by telling you about the water industry in England and Wales, and specifically about Northumbrian Water – your local wholesale company.**

Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services.

In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

Northumbrian Water Limited provides water and wastewater services in the North East of England trading as Northumbrian Water. It provides those services to 2.7 million people, serving 1.1 million homes and 67,000 businesses.

It also provides water only services in parts of South East England, trading as Essex & Suffolk Water.

Hartlepool Water supply water only services in a small part of the Northumbrian Water area. So, if you live in Hartlepool, Hartlepool Water provides your drinking water and Northumbrian Water takes your wastewater away.

The major population centres of Tyneside, Wearside and Teesside are in its operating area, and it also serves large rural communities in Northumberland and County Durham.



Northumbrian Water's operating area

Every day Northumbrian Water Limited supplies 1,104 megalitres (1.1 billion litres) of water – equal to 441 Olympic size swimming pools.

This water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at its water treatment works before it is delivered through a network of pipes to homes and businesses.

Wastewater is then collected from properties via the sewerage network and treated at their wastewater treatment works to make it safe and clean enough to release it into the environment, putting the cleaned water back into rivers and the sea. The sludge remaining after the wastewater treatment process is recycled as fertiliser or used to generate energy.

At times of heavy rainfall Northumbrian Water's pipes can reach full capacity and there's a risk that rainwater, wastewater, and other items incorrectly flushed into the wastewater network can escape.

Storm overflows act as a relief valve, releasing this heavily diluted mix, which is mostly rainwater, back into rivers and the sea. This helps to prevent streets, homes and businesses from flooding. The Environment Agency permits how and when storm overflows can be used.

Businesses, charities and public sector organisations in England can shop around for their water retailer. This works like other open utility markets (such as electricity and gas). Retail suppliers buy the physical supply of water and removal of wastewater and then they sell these services to non-household customers. This means that these customers would need to talk to their chosen retailer about their account and bills, but Northumbrian Water are still the people to talk to about water supply or wastewater issues.

In simple terms, Northumbrian Water provide water and wastewater services to the business customer but don't manage the account. You may not be a retail customer of Northumbrian Water, but you are a wholesale customer.

This research is focused on Northumbrian Water's proposed business plan for 2025-30. Northumbrian Water wants to hear your views about its proposed plan as a **non-household customer**.

**This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.**

## Business plan development



6 | Northumbrian Water pre-task

We'd now like to tell you how Northumbrian Water and all the other water and wastewater companies in England and Wales develop their business plans and about the role of Ofwat, the economic regulator for the water industry.

Every five years, water companies develop a 'business plan' that sets out how they want to develop their wholesale services, and the proposed cost to customers.

As customers are not able to choose their wholesale water/sewerage company, water companies must give them a say about what they want from these services and the price they pay.

Talking to customers also helps 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.

One of the ways that organisations and businesses have their say is through this research, which will explain what the plans are for where your organisation operates, and ask what you think – whether the plans are 'acceptable' for your organisation and whether the proposed bills from 2025 to 2030 are affordable.

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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Northumbrian Water pre-task | 7

## The services Northumbrian Water provides

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Northumbrian Water's Purpose is:

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Here are some of the ways it does this.

### **Reliable services and unrivalled customer experience**

When you turn on your tap to make a cup of tea, have a shower or wash up, you expect clean, clear, and great tasting water to flow.

It's Northumbrian Water's job to make sure this happens. It is also responsible for taking wastewater away and treating it, so it can be safely returned to the natural environment.

Northumbrian Water wants its services to be recognised as unrivalled. This is about delivering superb value for money and making every interaction with its customers one to be talked about for all the right reasons.

### **Caring for the long-term needs of the environment**

The water environment is critical to Northumbrian Water's business.

Caring for the environment is right at the heart Northumbrian Water's purpose. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

Northumbrian Water's care and respect for our natural environment goes far beyond any regulatory requirements. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

### **Sustainability and resilience**

Global warming is disrupting our climate and causing serious challenges to the world's water supply.

Wind and flooding are already a problem, with the impact from storms increasing in recent years.

Northumbrian Water is addressing the risks from flooding and power failures now so that it can maintain supplies for its customers in future.

**Affordable and inclusive services**

As the cost of living and household bills rise, Northumbrian Water understands it's a difficult time for many.

There are many ways it helps customers who are genuinely struggling to pay their water and wastewater bills including payment plans, low-income discounts and advice on saving water.

Northumbrian Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.

**Efficiency and prudent investment**

Northumbrian Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Northumbrian Water rank in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.

**Caring for communities**

Northumbrian Water encourages its employees to give back a minimum of 15 hours every year to support communities and charitable organisations through its employee volunteering scheme.

They also have community foundation funds to give grants to projects that set out to improve the health, education and environment of the communities it serves.

To support the local economy, Northumbrian Water spends 60p of every £1 in the North East. This includes large investments to improve the environment.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Northumbrian Water pre-task | 9

## How a water company's performance is monitored.

**We'd now like to tell you about how a water company's performance is monitored.**

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, including businesses and organisations, 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.

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Ofwat allows companies that have provided better than promised service to earn financial rewards. All customers contribute towards the reward through an increase in their bill.

Ofwat penalises companies that have provided worse than promised service. The penalty means they must reduce all customers' bills to compensate for the poor service they have delivered.

Water companies must 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 several reasons. For example, leaks from pipes happen more often after very cold weather.

In November 2021, Storm Arwen caused widespread disruption including power outages across Northumbrian Water's region which in turn meant water could not be pumped to homes and business in some areas. This resulted in the company failing to meet its performance commitment for interruptions to supply.

Here's how Northumbrian Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22. Northumbrian Water's overall performance resulted in a penalty to the company of £3.6m.

This meant that all customers' bills were reduced by 0.5%, which is £1.84 off the average water and wastewater bill.

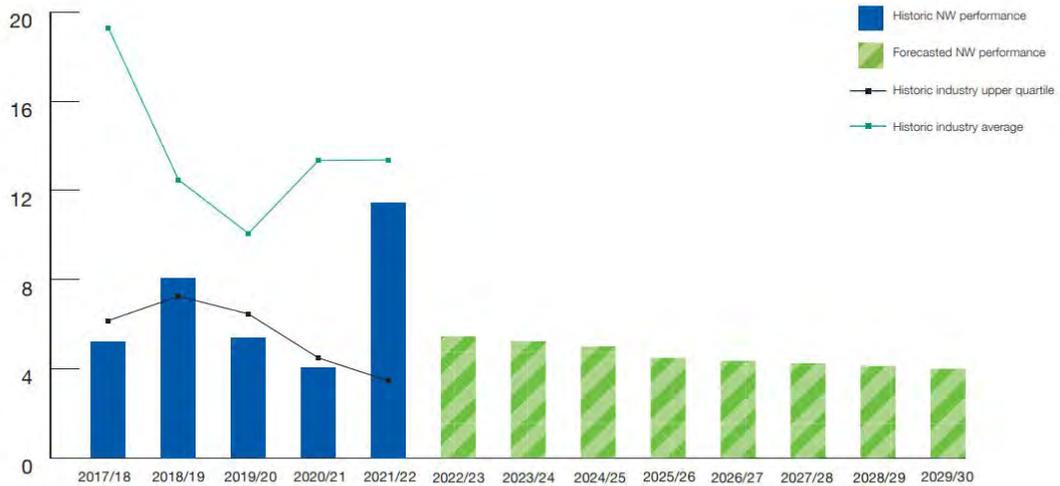
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 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Sewage flooding of properties	An escape of sewage inside properties is highly inconvenient, disruptive and a potential health risk. In bad cases, business operations may be affected while things are put right.
 Sewage flooding of properties	An escape of sewage into gardens, adjoining car parks or land is inconvenient and unpleasant and can restrict access.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.
 Pollution of rivers and bathing waters	Discharges from sewage treatment or networks can affect rivers and bathing waters. This can have a minimal effect on the river ecology or a major effect depending on the scale.

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

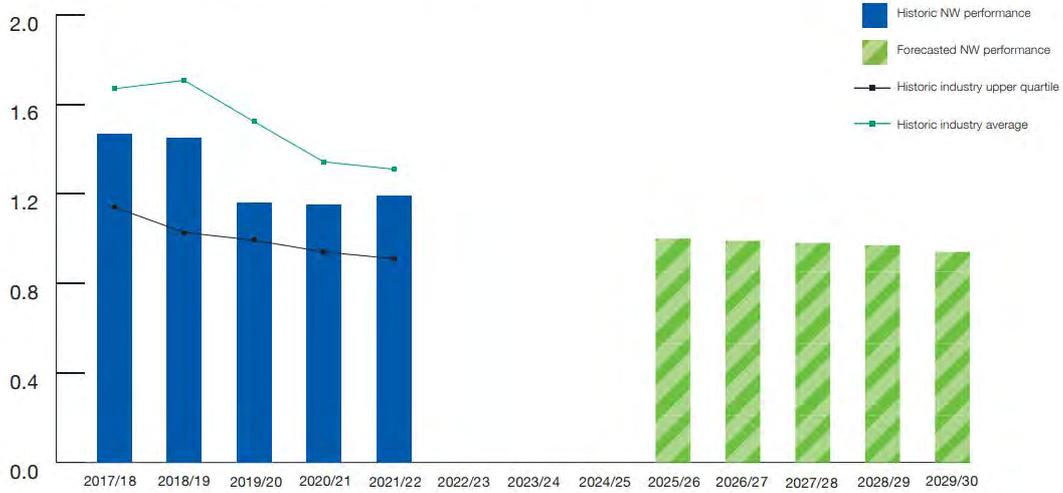
Duration without water for more than 3 hours by minutes per property.  
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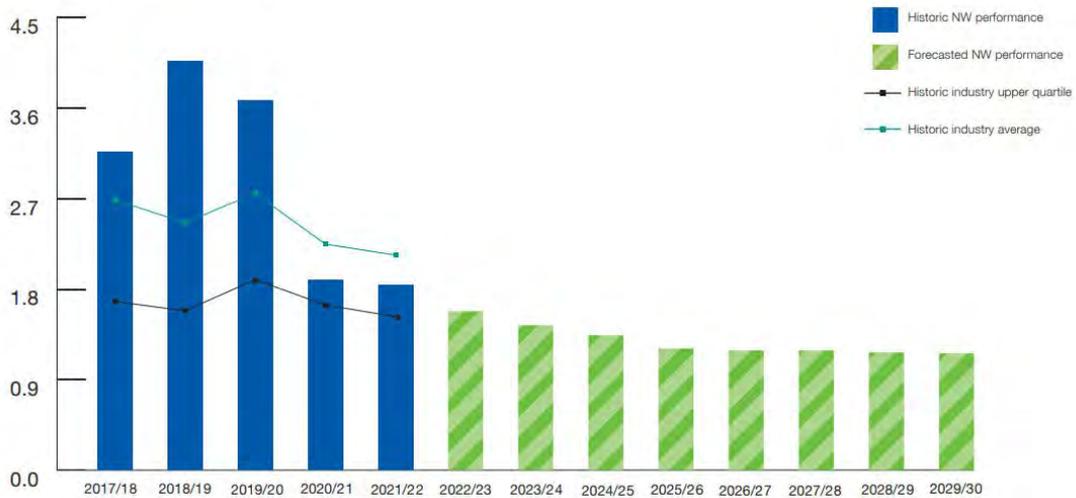
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**Northumbrian Water measured on the incidents of sewage flooding properties.**

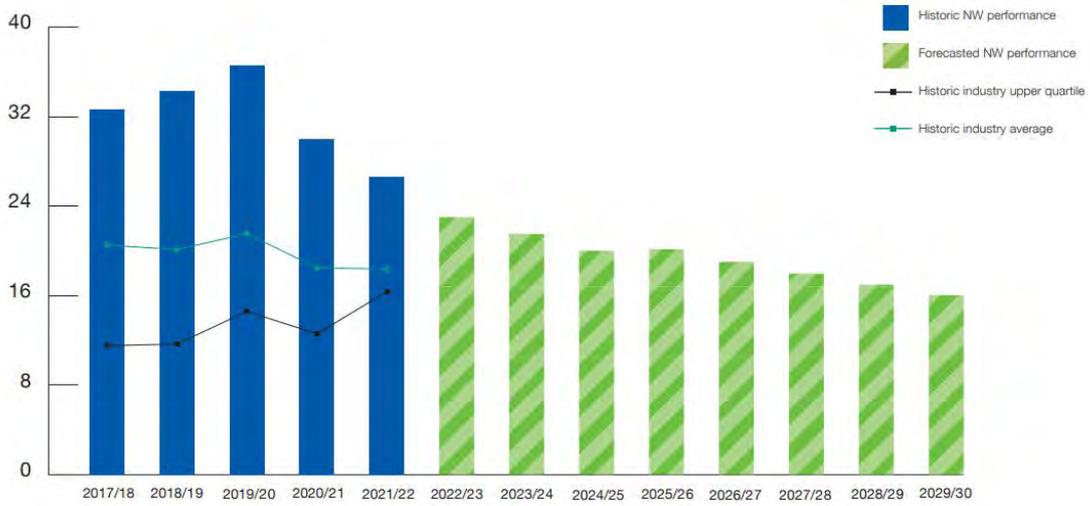
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**Northumbrian Water measured on the incidents of sewage flooding gardens or outbuildings.**

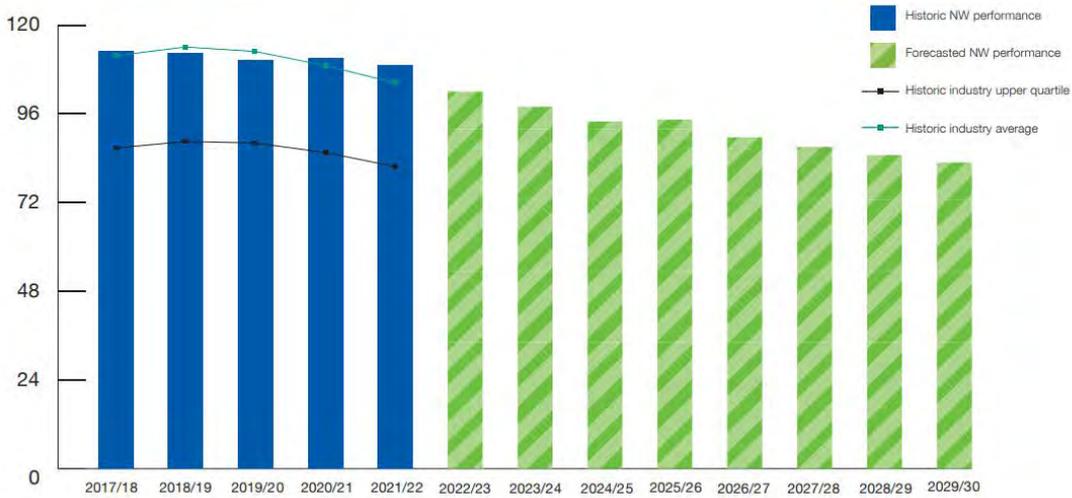
Number of properties affected, per 10,000.  
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**Northumbrian Water measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)

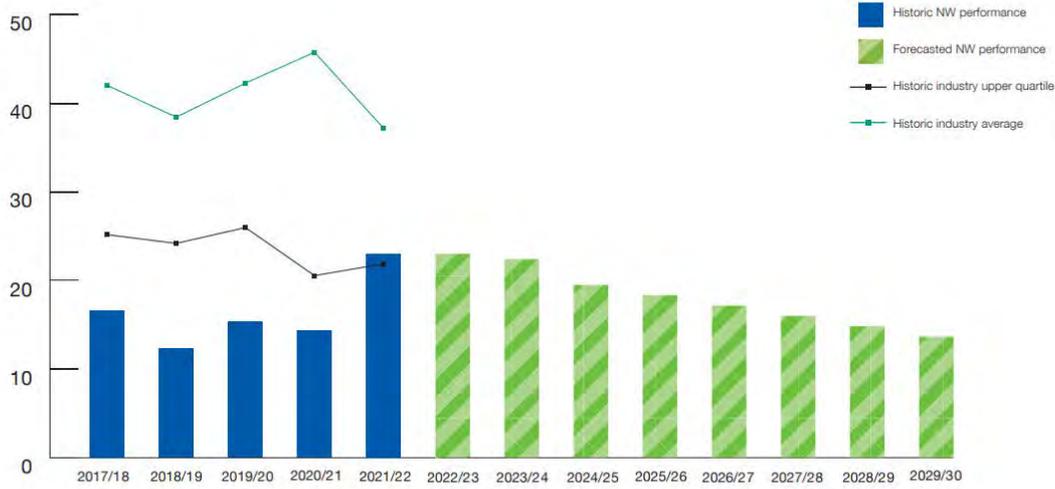


Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

**Northumbrian Water 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.)



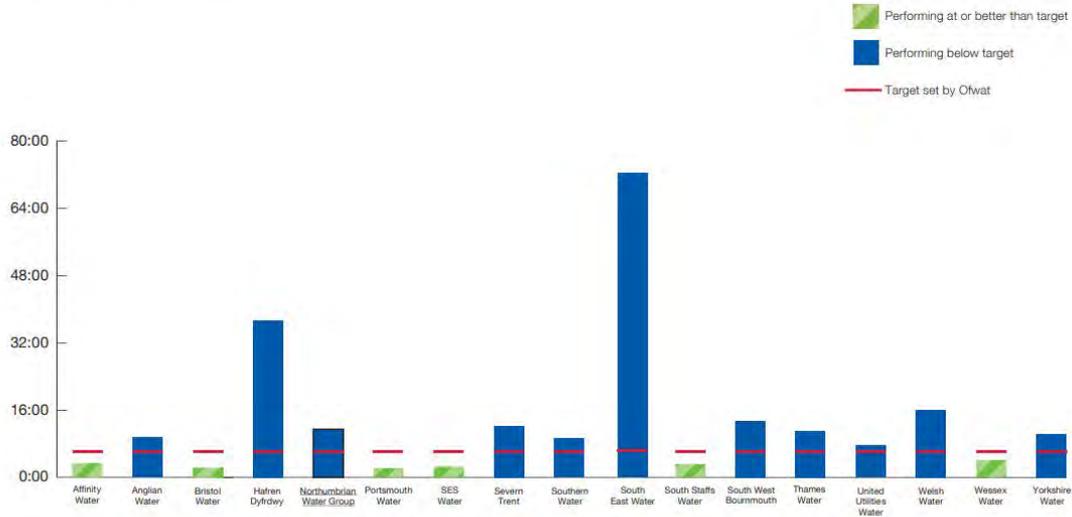
Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
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In addition, the graphs on the following pages show how Northumbrian Water has performed across its targets, compared with other companies. A definition of each target can be found on the right:

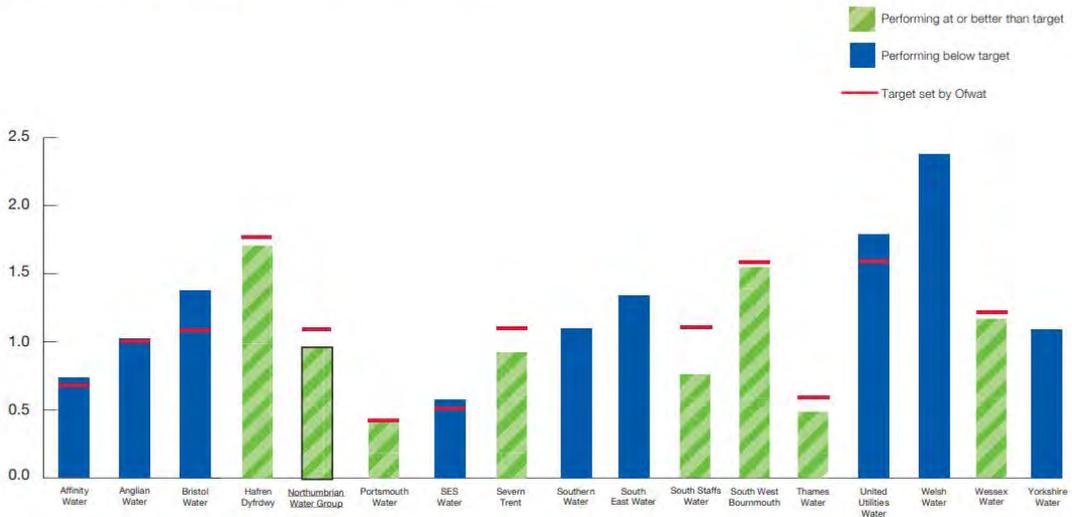
You can find more information about your water and sewerage company's comparative performance at [www.discoverwater.co.uk](http://www.discoverwater.co.uk).

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water. Sometimes business operations may be affected.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Internal sewage flooding of properties	An escape of sewage inside properties is highly inconvenient, disruptive and a potential health risk. In bad cases, business operations may be affected while things are put right.
 External sewage flooding of properties	An escape of sewage into gardens, adjoining car parks or land is inconvenient and unpleasant and can restrict access.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.
 Pollution of rivers and bathing waters	Discharges from sewage treatment or networks can affect rivers and bathing waters. This can have a minimal effect on the river ecology or a major effect depending on the scale.

**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.)

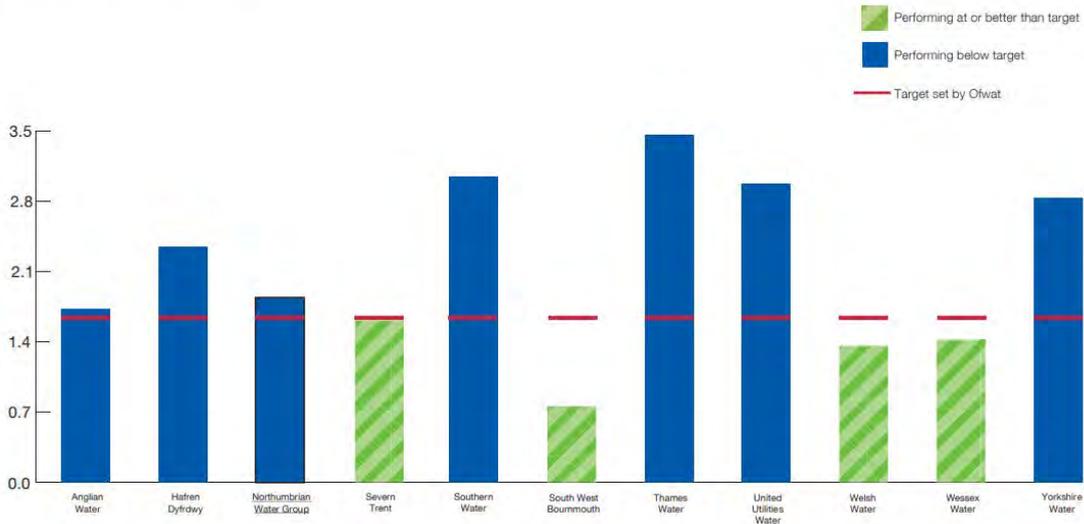


**Water companies measured on the number of customer contacts regarding the appearance, taste and smell of tap water.**  
 Number of customer contacts received regarding incidents, per 1,000 properties.  
 (A lower bar / number is better.)



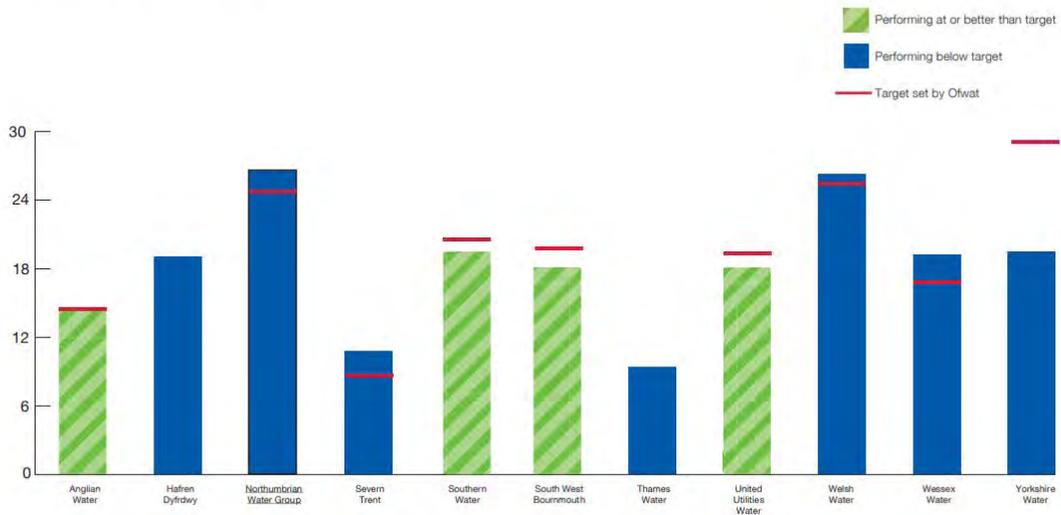
**Water companies measured on the incidents of sewage flooding properties.**

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



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

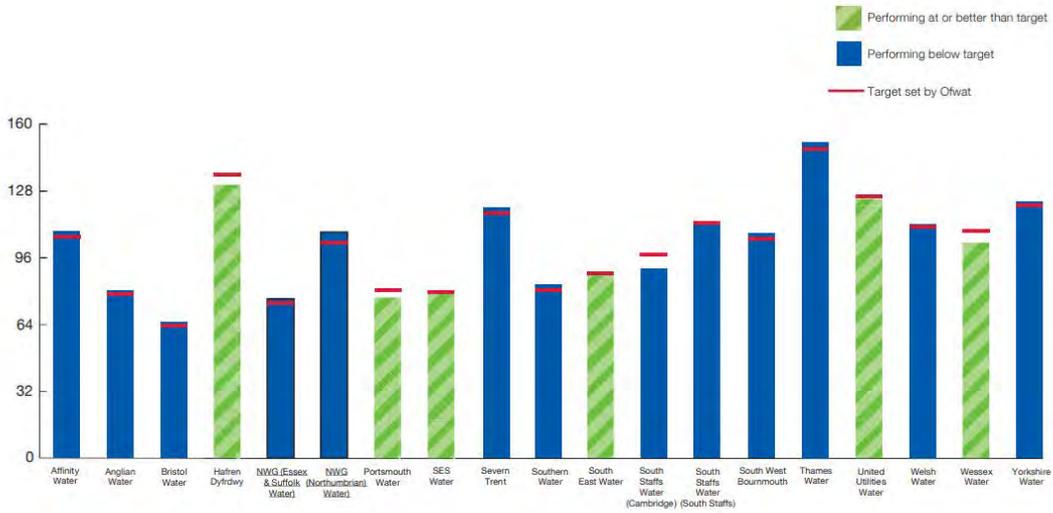
Number of properties affected, per 10,000.  
 (A lower bar / number is better.)



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

Number of mega-litres (a million litres) lost a day.

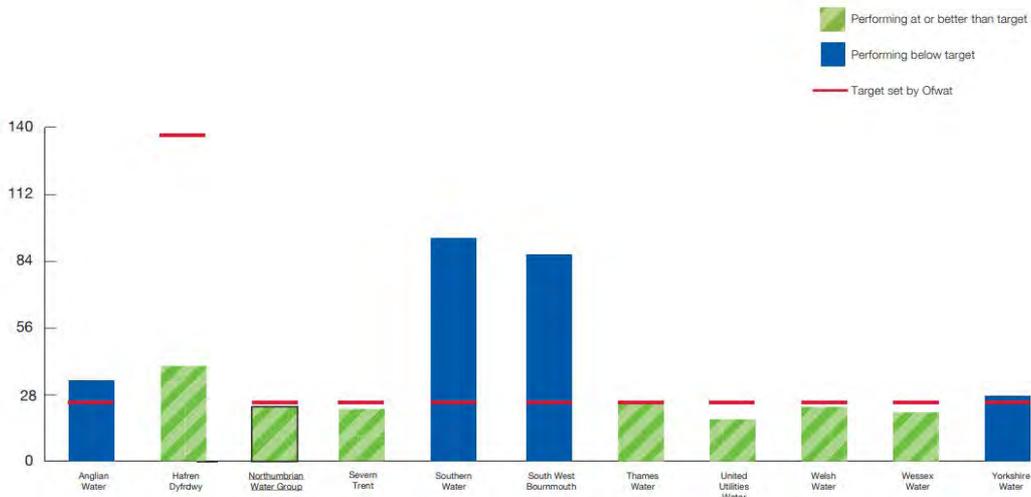
(A lower bar / number is better.)



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

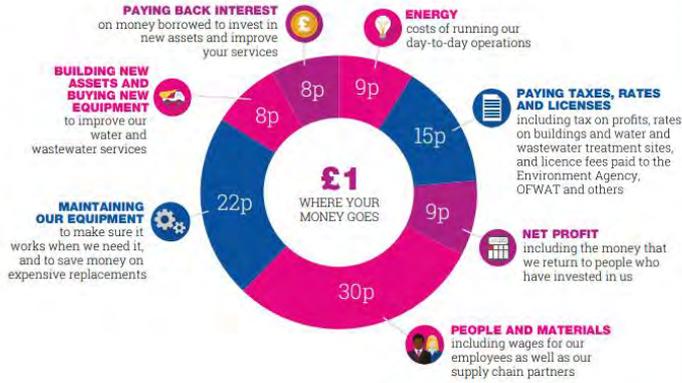
Number of incidents per 10,000km of sewer.

(A lower bar / number is better.)



Where your money goes

This image shows where £1 of your money goes.



Breakdown of costs for water and wastewater services per £1 for Northumbrian Water customers:

- Water 48p
- Wastewater 52p

Please note this diagram is for households, it is slightly more complicated for non-household customers, but it breaks down in a very similar way.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Northumbrian Water pre-task | 25



**Northumbrian Water's proposed business plan for 2025 to 2030**

Now you have learnt about Northumbrian Water, the business plan process, and its performance to date, we want to share Northumbrian Water's proposed Business Plan for 2025-30.

This is what we will be talking about more when we meet.

Northumbrian Water's proposed Business Plan includes investment to meet all legal obligations set by regulators, improve service in areas that matter most to customers, and address future risks that could cause interruption to your water and wastewater supply.

**Improvements in the areas that matter most to customers**

By using technology and innovation to drive efficiency, and investing prudently, Northumbrian Water's plan will deliver the service levels shown on the next page.

	Current service level (2021/22 performance)	Current Northumbrian Water performance compared to other companies	Proposed improved service level	Proposed Northumbrian Water performance compared to other companies
Water supply interruptions, without warning, for longer than 3 hours	11 minutes 45 seconds per customer	Mid-table	4 minutes per customer	Top 25% of companies
Reducing leaks	104.9 litres per property per day	Mid-table	84.5 litres per property per day	Mid-table
The appearance, taste and smell of tap water	1.19 contacts per 1,000 customers	Top 50% of companies	0.94 contacts per 1,000 customers	Top 50% of companies
Internal sewage flooding of properties	1.84 sewer flooding instances per 10,000 properties	Mid-table	1.16 sewer flooding instances per 10,000 properties	Top 25% of companies
External sewage flooding of properties	26.64 sewer flooding instances per 10,000 properties	Bottom 50% of companies	16.03 sewer flooding instances per 10,000 properties	Top 50% of companies
Pollution of rivers and bathing waters	22.98 pollution incidents per 10,000km of sewers	Top 25% of companies	13.65 pollution incidents per 10,000km of sewers	Top 25% of companies

Northumbrian Water pre-task | 27

**Additional investments**

The proposed plan also includes additional investments to meet statutory obligations (rules set by regulators), meet customer needs, or address future risks.

These investments will result in bills increasing. This is largely because of investment Northumbrian Water **must do by law**, for example to meet new environmental standards. Northumbrian Water does not have a choice and must make these investments and charge all its customers accordingly.

This graphic shows the potential percentage increase on a non-household bill by 2030.

Bill impact if Northumbrian Water only make 'must do' investments (excluding inflation):

**23.6%**

Bill impact of Northumbrian Water's proposed plan (excluding inflation):

**29.9%**

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

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	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage		Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	4.3%
Storm overflows		Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In these cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas.  Minimum investment in 2025-30, pushing back as much investment as possible until after 2030 and choosing the cheapest options for tackling storm overflows	5.8%
Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	1.7%
Investment in regional flooding		Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.	0.6%
Resilience – climate change adaptation		Protecting water and wastewater treatment works from severe weather brought about by climate change to avoid services being interrupted.	1.6%
Storm overflows		This would tackle more storm overflows into bathing water now, rather than delaying these until after 2030. This also includes more green solutions.	3.4%

Northumbrian Water pre-task | 29

## How bills have changed over time

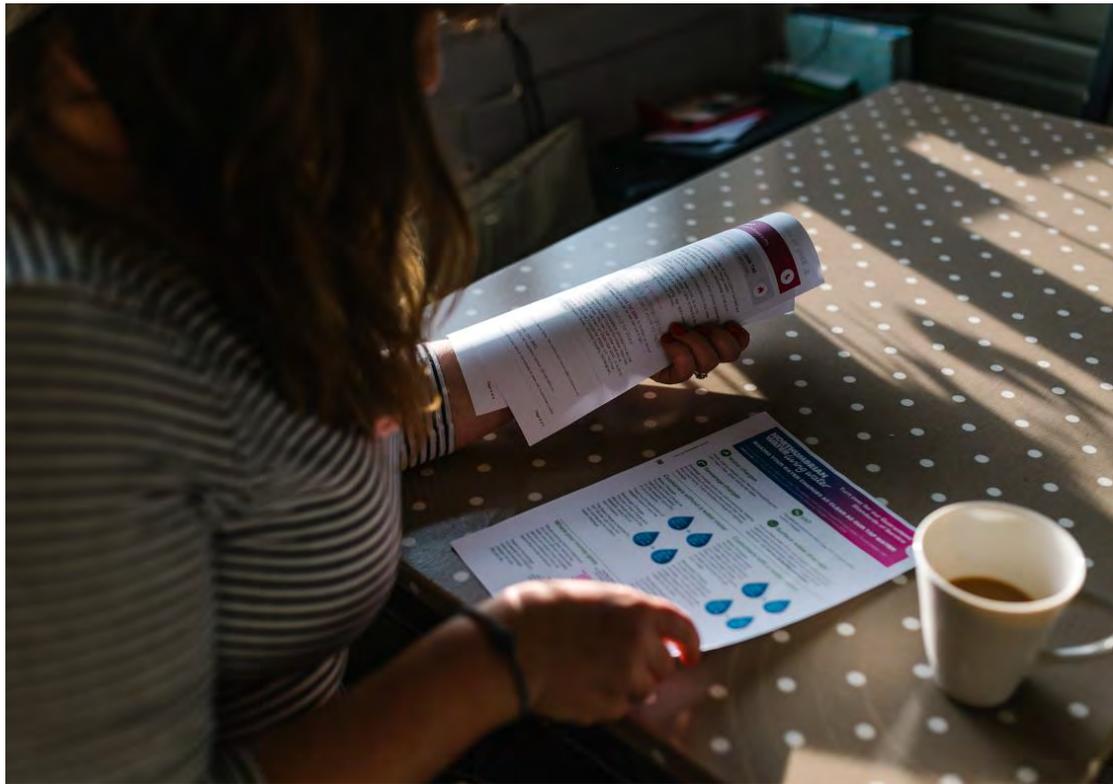
**Northumbrian Water bills are currently 11% lower than they were three years ago and are lower than any other water and wastewater company in England.**

The average Northumbrian Water bill in 2019/2020 has reduced in 2022/2023. This is because Northumbrian Water's Business Plan for 2020-25 **reduced customer bills**.

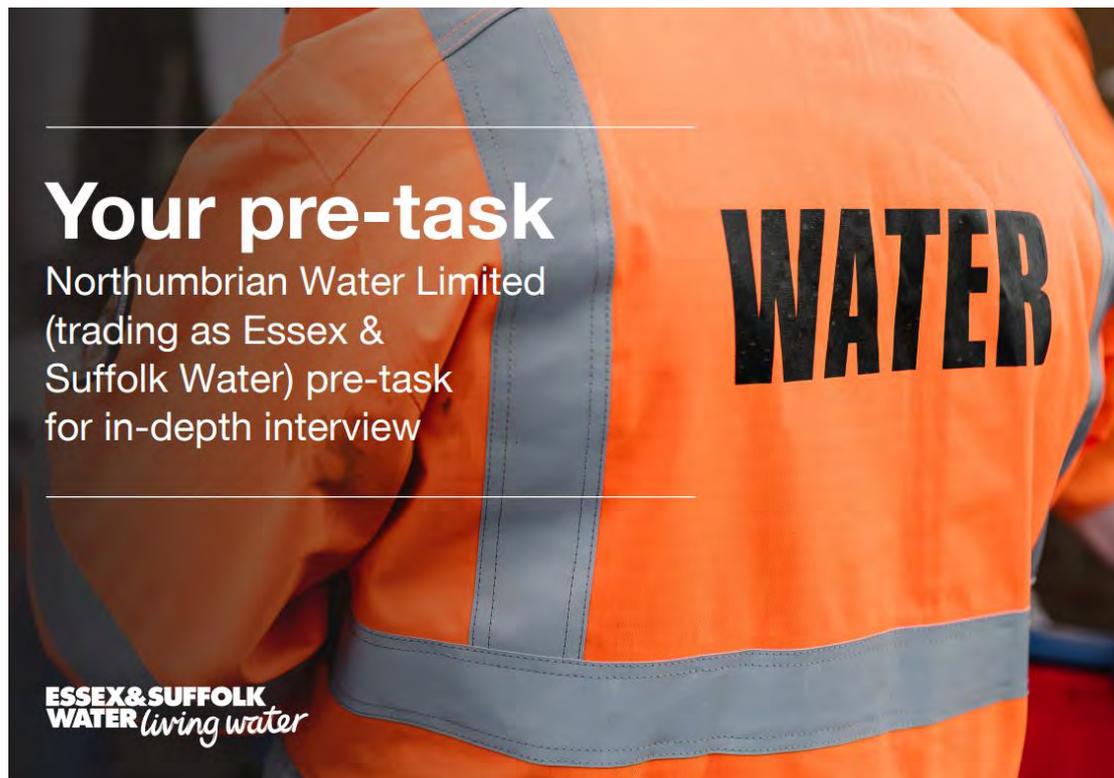
Northumbrian Water customers also currently have one of the **lowest average bills** of any combined water and wastewater company in England and Wales.

All water and wastewater companies must make investment related to statutory obligations or regulations and so bills are expected to increase across England and Wales from 2025-30.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.



# Appendix 4 - Pre-task brochure – ESW – non-household



## Welcome

**Thank you for agreeing to take part in this research.**

**The research is about your views on the services that you receive from Essex & Suffolk Water as a non household customer.**

This pre-task contains some information that will be useful for you to know. Don't worry if you don't understand or remember all the information, we'll recap it with you when we meet, and you'll be given the opportunity to ask questions.

As you work through this pre-task, there will be points to pause and reflect on what you have learnt. When you get to the end of the pre-task, there's a very short survey for you to complete.

When we meet, we'll start by discussing your reactions to the information. As you work through it, please make note of the three or four things that are new / interesting / surprising to you.

Please, remember, there are no right or wrong answers – **your opinion is important.**



## Introduction

We'd like to start by telling you about the water industry in England and Wales, and specifically about Essex & Suffolk Water – your local wholesale company.

Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services. In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

Northumbrian Water Limited provides water only services in the South East of England, trading as Essex & Suffolk Water. It provides water to 1.8 million people across 400,000 homes and 43,000 businesses.

It also provides water and wastewater services in the North East of England, trading as Northumbrian Water.

Essex & Suffolk Water serves a population of 1.5 million in Essex. This area is part rural and part urban with the main areas of population being in Chelmsford, Southend and the London Boroughs of Barking and Dagenham, Havering and Redbridge.

In Suffolk Essex & Suffolk Water serves a population of 0.3 million, which is mainly rural with the biggest towns being Great Yarmouth and Lowestoft.



Essex & Suffolk Water's operating area

Every day Northumbrian Water Limited supplies 1,104 megalitres (1.1 billion litres) of water – equal to 441 Olympic size swimming pools.

This water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at a water treatment works before it is delivered through a network of pipes to homes and businesses.

Wastewater is then collected from properties via the sewerage network and treated at wastewater treatment works to make it safe and clean enough to release back into rivers and the sea. This service is provided for you by either Thames Water or Anglian Water.

This research is focused on Essex & Suffolk Water's proposed business plan for 2025-30. Essex & Suffolk Water wants to hear your views about its proposed plan.

Businesses, charities and public sector organisations in England can shop around for their water retailer. This works like other open utility markets (such as electricity and gas). Retail suppliers buy the physical supply of water and removal of wastewater and then they sell these services to non-household customers.

This means that these customers would need to talk to their chosen retailer about their account and bills, but Essex & Suffolk Water are still the people to talk to about water supply issues. In simple terms, Essex & Suffolk Water provide water services to the business customer but don't manage the account. You may not be a **retail customer** of Essex & Suffolk Water, but you are a **wholesale customer**.

Essex & Suffolk Water wants to hear your views about its proposed plan as a **non-household customer**.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

 A large blue rectangular area with a dashed border, intended for recording notes. At the top left of this area is a small icon of a pen writing on a notepad.

## The water industry's business planning process



We'd now like to tell you how Essex & Suffolk Water and all the other water and wastewater companies in England and Wales develop their business plans and about the role of Ofwat, the economic regulator for the water industry.

Every five years, water companies develop a 'business plan' that sets out how they want to develop their wholesale services, and the proposed cost to customers.

As customers are not able to choose their wholesale water company, water companies must give them a say about what they want from these services and the price they pay.

Talking to customers also helps 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.

One of the ways that organisations and businesses have their say is through this research, which will explain what the plans are for where your organisation operates, and ask what you think – whether the plans are 'acceptable' for your organisation and whether the proposed bills from 2025 to 2030 are affordable.

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

Essex & Suffolk Water pre-task | 5

There is more information about Ofwat here: [www.ofwat.gov.uk](http://www.ofwat.gov.uk).

There is more information about the Price Review here: 'All about the price review'. Available at: [www.youtube.com/watch?v=OWmivC93AF8](https://www.youtube.com/watch?v=OWmivC93AF8).

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

A large, empty blue rectangular area with a dashed border, intended for taking notes during the meeting. It is positioned below the introductory text and above the footer.

6 | Essex & Suffolk Water pre-task

## The services Essex & Suffolk Water provides

We'd now like to tell you about the services Essex & Suffolk Water provides.

Essex & Suffolk Water's Purpose is:

“Caring for the essential needs of our communities and environment, now and for generations to come. We do this by providing reliable and affordable water and wastewater services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.”

Here are some of the ways it does this.

### Reliable services and unrivalled customer experience

When you turn on your tap to make a cup of tea, have a shower or wash up, you expect clean, clear, and great tasting water to flow.

It's Essex & Suffolk Water's job to make sure this happens.

Essex & Suffolk Water wants its services to be recognised as unrivalled. This is about delivering superb value for money and making every interaction with its customers one to be talked about for all the right reasons.

### Caring for the long-term needs of the environment

The water environment is critical to Essex & Suffolk Water's business.

Caring for the environment is right at the heart of Essex & Suffolk Water's purpose. It works constantly to protect and enhance coasts, rivers and watercourses in all areas of its operations.

### Sustainability and resilience

Global warming is disrupting our climate and causing serious challenges to the world's water supply.

Wind and flooding are already a problem. The impact from storms has increased in recent years. Essex & Suffolk Water is addressing the risks from flooding and power failures at water treatment works and pumping stations now, so that it can maintain supplies for its customers in future.

Summers are getting hotter. Essex & Suffolk Water is investing in new water supplies to make sure that both customers and the environment continue to have the water they need, even in times of drought.

### Affordable and inclusive services

As the cost of living and household bills rise, Essex & Suffolk Water understands it's a difficult time for many.

There are many ways it helps customers who are genuinely struggling to pay their water bills including payment plans, low-income discounts and advice on saving water.

Essex & Suffolk Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.

### Efficiency and prudent investment

Essex & Suffolk Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Essex & Suffolk Water rank in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.

### Caring for communities

Essex & Suffolk Water supports the Essex & Suffolk Water encourages its employees to give back a minimum of 15 hours every year to support communities and charitable organisations through its employee volunteering scheme.

It also has community foundation funds to give grants to projects that set out to improve the health, education and environment of the communities it serves.

To support the local economy, Essex & Suffolk Water spends 60p of every £1 in the Essex and Suffolk area. This includes large investments to improve the environment.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

## How a water company's performance is monitored.

We'd now like to tell you about how a water company's performance is monitored.

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, including businesses and organisations, 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.

Ofwat allows companies that have provided better than promised service to earn financial rewards. All customers contribute towards the reward through an increase in their bill.

Ofwat penalises companies that have provided worse than promised service. These companies must reduce all customers' bills to compensate for the poor service they have delivered.

Water companies must provide reliable services, and plan to be resilient to changing weather patterns and demand from consumers.

Companies can miss or exceed performance commitment targets for several reasons.

In December 2022 there was a freeze-thaw event in Essex. Temperatures dropped to a low of -7 degrees on 17 December, and thawed to a high of 14 degrees two days later. This caused a 133% rise in leaks from water pipes and 4,800 properties were without water for one hour or more.

This event significantly contributed to Essex & Suffolk Water missing their target around interruptions to supply.

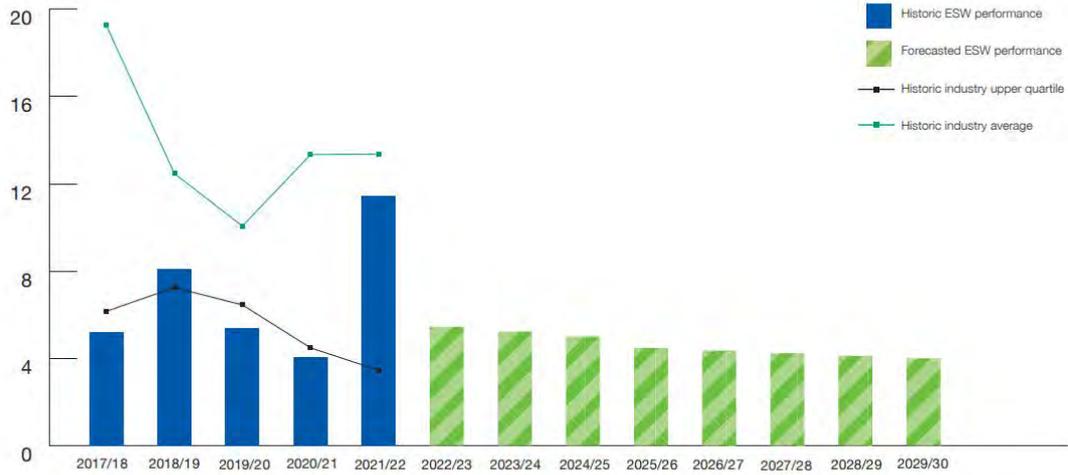
Here's how Essex & Suffolk Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22. Essex & Suffolk Water's overall performance resulted in a penalty to the company of £3.6m.

This meant that all customers' bills were reduced by 0.5%, which is £1.24 off the average water bill.

We are now going to show you how well your wholesale water company is doing on some of their performance commitments, compared to other water companies in England and Wales.

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water. Sometimes business operations may be affected.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.

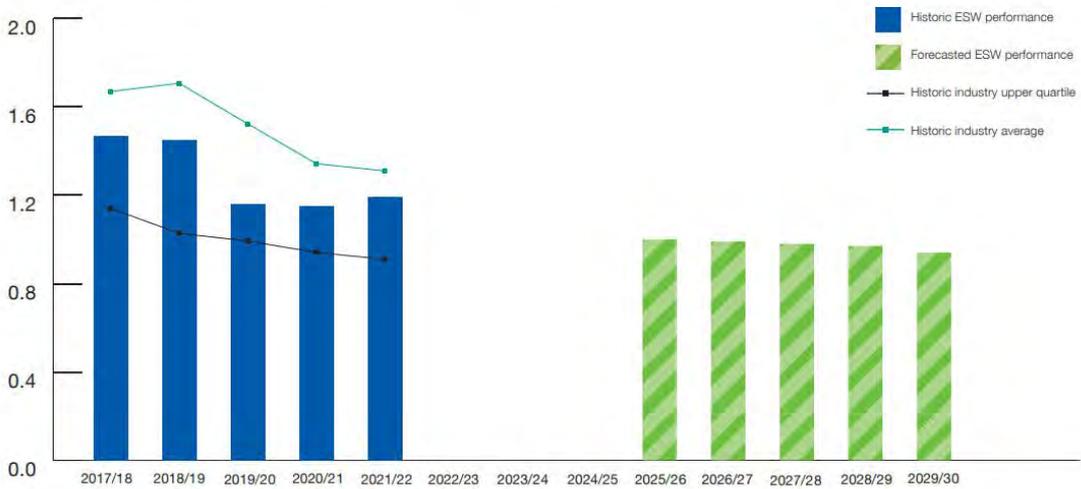
**Essex & Suffolk Water measured on the length of time properties are without water.**  
 Duration without water for more than 3 hours by minutes per property.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

**Essex & Suffolk Water measured on the number of customer contacts regarding the appearance, taste and smell of tap water.**

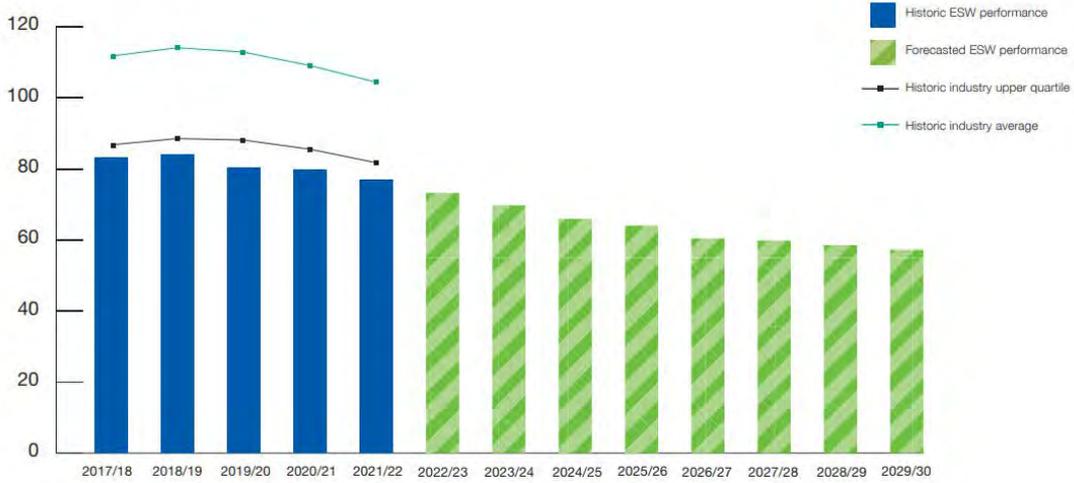
Number of customer contacts received regarding incidents, per 1,000 properties.  
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Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

**Essex & Suffolk Water measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

In addition, the graphs on the following pages show how Essex & Suffolk Water has performed across its targets, compared with other companies. A definition of each target can be found on the right:

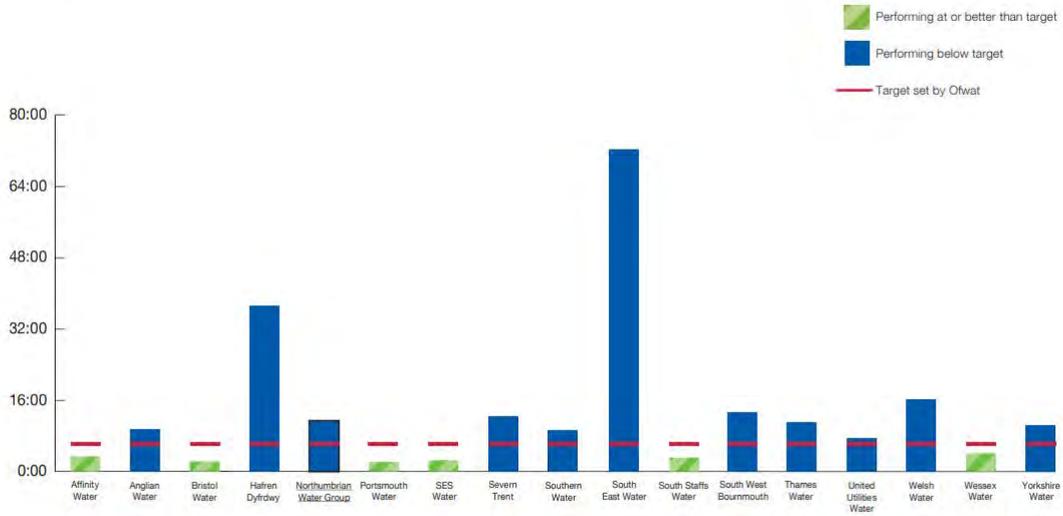
You can find more information about your water and sewerage company's comparative performance at [www.discoverwater.co.uk](http://www.discoverwater.co.uk).

Target	Definition
 Water supply interruptions, without warning, for longer than 3 hours	If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water. Sometimes business operations may be affected.
 The appearance, taste and smell of tap water	Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.
 Reducing leaks	Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.

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

Duration without water for more than 3 hours by minutes per property.

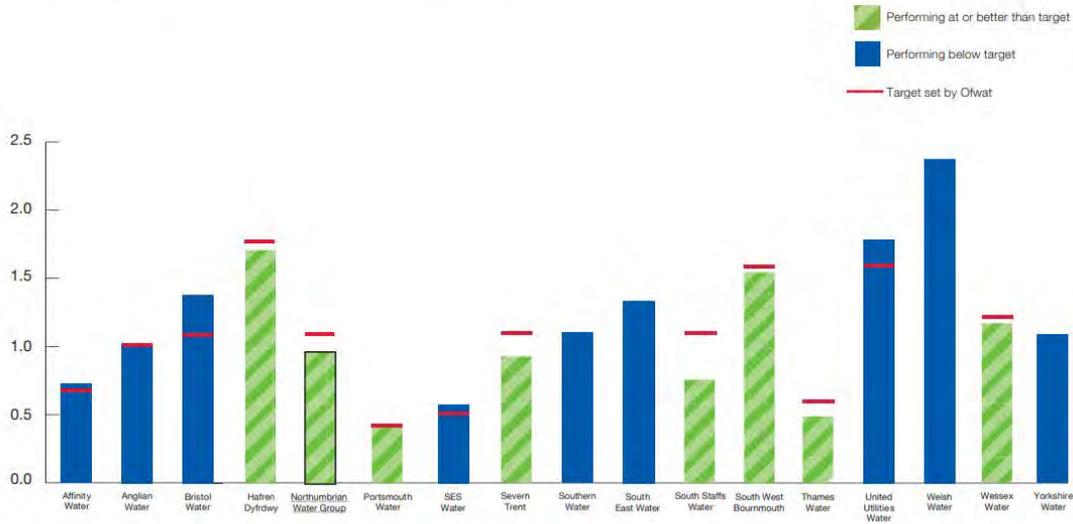
(A lower bar / number is better.)



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

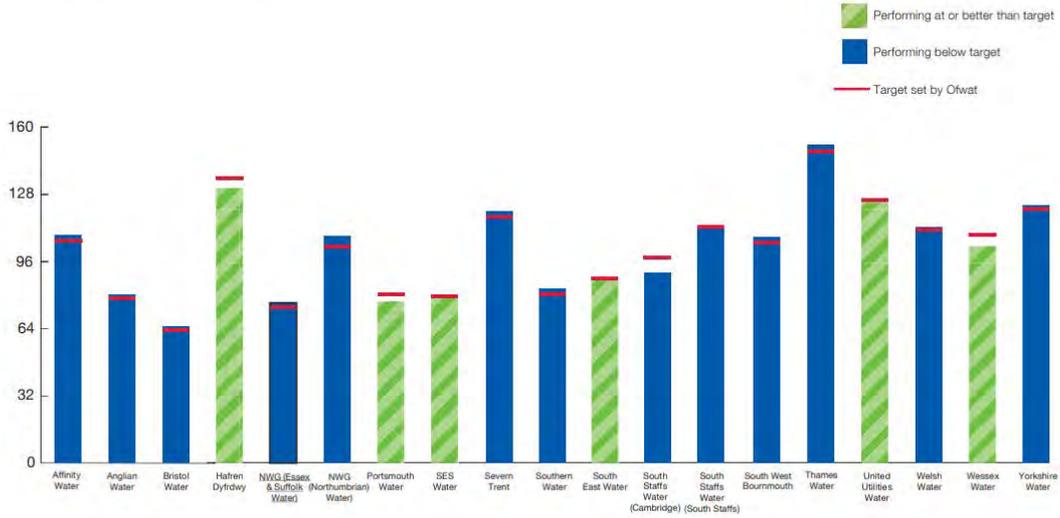
Number of customer contacts received regarding incidents, per 1,000 properties.

(A lower bar / number is better.)



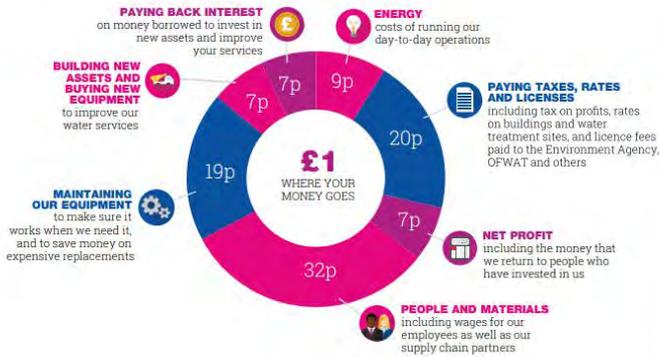
**Water companies measured on the amount of water lost due to leaks from water mains and pipes.**

Number of mega-litres (a million litres) lost a day.  
 (A lower bar / number is better.)



**Where your money goes**

This image shows where £1 of your money goes.



Please note this diagram is for households, it is slightly more complicated for non-household customers, but it breaks down in a very similar way.

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

## Essex & Suffolk Water’s proposed business plan for 2025 to 2030



Now you have learnt about Essex & Suffolk Water, the business plan process, and its performance to date, we want to share Essex & Suffolk Water’s proposed Business Plan for 2025-30.

This is what we will be talking about more when we meet.

Essex & Suffolk Water’s proposed Business Plan includes investment to meet all legal obligations set by regulators, improve service in areas that matter most to customers, and address future risks that could cause interruption to your water supply.

### Improvements in the areas that matter most to customers

By using technology and innovation to drive efficiency, and investing prudently, Essex & Suffolk Water’s plan will deliver the service levels shown on the next page.

Essex & Suffolk Water pre-task | 19

	Current service level (2021/22 performance)	Current Essex & Suffolk Water performance compared to other companies	Proposed improved service level	Proposed Essex & Suffolk Water performance compared to other companies
 Water supply interruptions, without warning, for longer than 3 hours	11 minutes 45 seconds per customer	Mid-table	4 minutes per customer	Top 25% of companies
 Reducing leaks	71.8 litres per property per day	Top 25% of companies	61.6 litres per property per day	Top 25% of companies
 The appearance, taste and smell of tap water	1.19 contacts per 1,000 customers	Top 50% of companies	0.94 contacts per 1,000 customers	Top 50% of companies

**Additional investments**

The proposed plan also includes additional investments to meet statutory obligations (rules set by regulators), meet customer needs, or address future risks.

These investments will result in bills increasing. This is largely because of investment Essex & Suffolk Water **must do by law**, for example to meet new environmental standards. Essex & Suffolk Water does not have a choice and must make these investments and charge all its customers accordingly.

This graphic shows the potential percentage increase on a non-household bill by 2030.

Bill impact if Northumbrian Water only make 'must do' investments (excluding inflation):

**21.2%**

Bill impact of Northumbrian Water's proposed plan (excluding inflation):

**23.5%**

This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Essex & Suffolk Water pre-task | 21

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage		Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	7.9%
Securing water supplies		Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	9.1%
Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	2.2%
Resilience – climate change adaptation		Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	1.9%

## How bills have changed over time

Essex & Suffolk Water bills are currently 4% lower than they were three years ago.

The average Essex & Suffolk Water bill in 2019/2020 has reduced in 2022/2023. This is because Essex & Suffolk Water's Business Plan for 2020-25 **reduced customer bills**.

All water companies must make investment related to statutory obligations or regulations and so bills are expected to increase across England and Wales from 2025-30.

 This is your space to record anything new, interesting, or surprising that you've learnt about the water industry's business planning process to share when we meet.

Essex & Suffolk Water pre-task | 23

# Appendix 5 - Pre-task questions - NW – household



**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

Q: Your current water and sewerage services bill is £ . How easy or difficult is it for you to afford to pay your current water and sewerage bill? *(Please answer one only.)*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you? Please have these to hand during the research group discussion.

Thank you for taking part in this pre-task, we look forward to meeting you soon.

## Appendix 6 - pre-task questions – ESW – household



**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

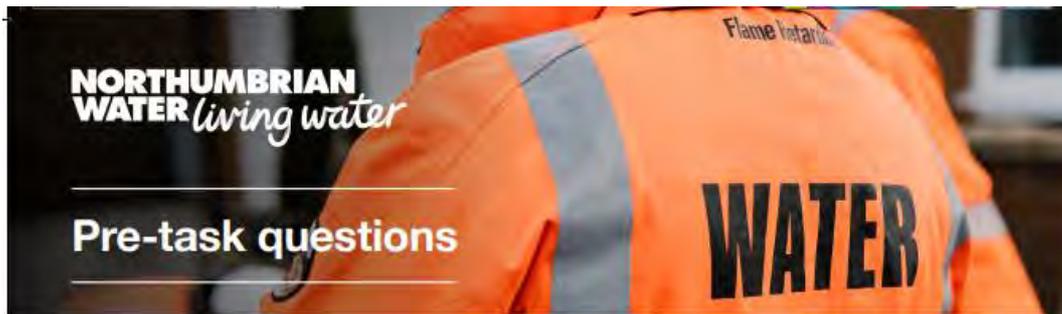
Q: Your current water bill is £ . How easy or difficult is it for you to afford to pay your current water bill?  
(Please answer one only.)

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you? Please have these to hand during the research group discussion.

Thank you for taking part in this pre-task, we look forward to meeting you soon.

## Appendix 7 – pre-task questions – NW – non-household



**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

Q: Your current water and sewerage bill is . This is the billed amount for the most recent 12 months for water and wastewater services. How easy or difficult is it for your company/organisation to afford to pay your current water and sewerage bill? *(Please answer one only.)*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Q: Which of the following aspects of service is most important for the day-to-day operation of your business? *(Please rank in order of importance with 1 being most important. Equal rankings are allowed.)*

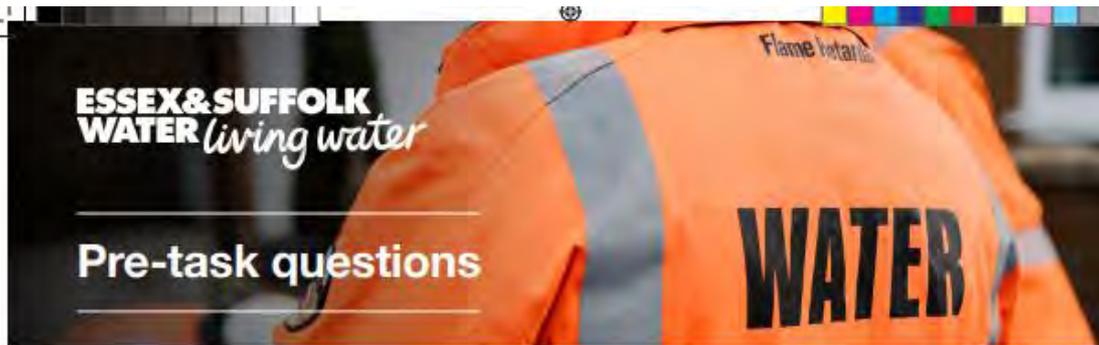
- A reliable water supply service - not prone to interruptions
- Consistent water pressure
- Reliable and consistent water supply quality (taste, smell, appearance of water)
- Responsive customer service when there is a problem
- Accurate bills
- Reliable removal and treatment of water used at the business premises
- Reliable removal of rainwater from the site
- Other - specify

Q: What are your business's expectations for future water and sewerage services – what would you most like to see improved?

- A reliable water supply service - not prone to interruptions
- Consistent water pressure
- Reliable and consistent water supply quality (taste, smell, appearance of water)
- Responsive customer service
- Accurate bills
- Reliable removal and treatment of water used at the business premises
- Reliable removal of rainwater from the site
- Other - specify

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you. Please have these to hand during the research group discussion.

# Appendix 8 – pre-task questions – ESW – non-household



**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

Q: Your current water bill is . This is the billed amount for the most recent 12 months for water services. How easy or difficult is it for your company/organisation to afford to pay your current water bill? (Please answer one only.)

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Q: Which of the following aspects of service is most important for the day-to-day operation of your business? (Please rank in order of importance with 1 being most important. Equal rankings are allowed.)

- A reliable water supply service - not prone to interruptions
- Consistent water pressure
- Reliable and consistent water supply quality (taste, smell, appearance of water)
- Responsive customer service when there is a problem
- Accurate bills
- Reliable removal and treatment of water used at the business premises
- Reliable removal of rainwater from the site
- Other - specify

Q: What are your business's expectations for future water services – what would you most like to see improved?

- A reliable water supply service - not prone to interruptions
- Consistent water pressure
- Reliable and consistent water supply quality (taste, smell, appearance of water)
- Responsive customer service
- Accurate bills
- Reliable removal and treatment of water used at the business premises
- Reliable removal of rainwater from the site
- Other - specify

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you. Please have these to hand during the research group discussion.

# Appendix 9 - pre-task questions – NW – future



## Pre-task questions

**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

Q: The information has probably given you an impression of the water company operating in your area to supply water and/or to manage the removal of wastewater. If 10 is 'very impressed' and 0 is 'very unimpressed', how are you feeling about your water company. Please write a sentence or two explaining your view.

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you? Please have these to hand during the research group discussion.

Thank you for taking part in this pre-task, we look forward to meeting you soon.

# Appendix 10 - Pre-task questions – ESW – future



**Thank you for reading the pre-task information booklet. Please answer the following questions before attending your session.**

Q: The information has probably given you an impression of the water company operating in your area to supply water and/or to manage the removal of wastewater. If 10 is 'very impressed' and 0 is 'very unimpressed', how are you feeling about your water company. Please write a sentence or two explaining your view.

▶

Q: We will start the session discussing your reactions to the information. As you read through it, please list the 3 or 4 things that are new / interesting / surprising to you? Please have these to hand during the research group discussion.

Thank you for taking part in this pre-task, we look forward to meeting you soon.

## Appendix 11 - slide deck – NW – household



Today we will...

Welcome

Thank you to our staff

### **Tonight:**

- Learn about Northumbrian Water's role and responsibilities and the business plan
- Discuss your experiences and priorities

### **Next week:**

- Look at the proposed plan in more detail
- Discuss your thoughts on the proposed plan



Question time

Wider

Specific



On a scale of 1 to 5 how concerned do you feel about the following:

- The impact of climate change on the UK
- The cost of living crisis in the UK
- Your own personal finances
- Your own carbon footprint

(1=not at all concerned, 5=very concerned)

# REACTIONS TO THE PRE-TASK

Go to Breakouts...

Reactions

Reactions to pre-task

Reactions to Water



## We want to hear more about your reactions to the pre-task.

Before you start, please introduce yourself to your breakout group.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water company in any way? How?

**INTRODUCTION TO  
NORTHUMBRIAN  
WATER**

Introduction to Northumbrian Water

Reaction to pre-task

Northumbrian Water

Pre-task expectations



Introduction to Northumbrian Water

Reaction to pre-task

Northumbrian Water

Pre-task expectations



**Any points to  
clarify before  
we move on?**

Question time



**On a scale of 1 to 10, how confident are you in your understanding of Northumbrian Water's role?**

(1=not at all, 10=very confident)

Question time



**On a scale of 1 to 10, overall how satisfied are you with the service you receive from Northumbrian Water?**

(1=very dissatisfied, 10=very satisfied)

# RE-CAP ON SOME INFORMATION FROM THE PRE-TASK

Overview of the business plan process

Business plan process

Re-cap on pre-task

Business plan process

**NORTHUMBRIAN**  
**WATER** *living water*



Introduction to the plan: meeting service levels

Northumbrian Water

Re-cap on pre-task

Performance commitments



**Water supply interruptions**



**Leakage**



**Appearance, taste and smell of tap water**



**Sewer flooding to properties - internally**



**Sewer flooding to properties - externally**



**Pollution of rivers and bathing waters**

Northumbrian Water's services

Northumbrian Water

Re-cap on pre-task

Performance commitments



**Providing reliable water and wastewater services**



**Providing unrivalled customer service**



**Caring for the environment**



**Making sure services are resilient in the long term**



**Helping customers who can not afford to pay their water bills**



**Providing extra support to customers who need it**



**Caring for local communities**

Introduction to the plan: meeting service levels

Northumbrian Water    Re-cap on pre-task    Financial commitments



What does the Northumbrian Water business plan include?

Northumbrian Water    Re-cap on pre-task    Financial commitments

As you will have seen in the pre-task, the business plan will also confirm how much customers pay Northumbrian Water for their water and wastewater services.

The average customer bill for Northumbrian Water customers now is £362 per year. This is where this money goes...

Breakdown of costs for water and wastewater services per £1 for Northumbrian Water customers:

- Water 48p
- Wastewater 52p



How have bills changed over time?

Northumbrian Water bills are currently 11% lower than they were three years ago and are the second lowest water and wastewater company.

2019/20  
**£412** in real terms  
 (without inflation)

2022/23  
**£362** in real terms  
 (without inflation)



Water and wastewater company	Average customer bill for 2022/2023
South West Water	£472
Wessex Water	£470
Welsh Water	£463
Anglian Water	£452
Thames Water	£423
United Utilities	£422
Yorkshire Water	£419
Southern Water	£402
Severn Trent Water	£389
Northumbrian Water	£362
Hafren Dyfrdwy	£334
Industry average	£419

Pre-task re-cap



Any points to clarify before we move on?

Question time

Memorise your notes

Re-cap on pre-task

Memorise your notes



On a scale of 1 to 10, overall how satisfied are you with the value for money you receive from Northumbrian Water for your water (and wastewater services)?

(1=very dissatisfied, 10=very satisfied)

Go to Breakouts

Memorise your notes

Re-cap on pre-task

Memorise your notes



**We want to know more about what matters most.**

- From what you have seen so far, what areas matter most to you? Why?
- Where do you think investment/improvement is most needed? Why?



## Unplanned interruptions

Service in the field

Performance commitments

Land team policies

### Description of service area

If a water supply is interrupted without warning for more than three hours, it would not be possible to get water from the taps or flush the toilet; it may be necessary to buy bottled water.

### Examples of how the target will be met

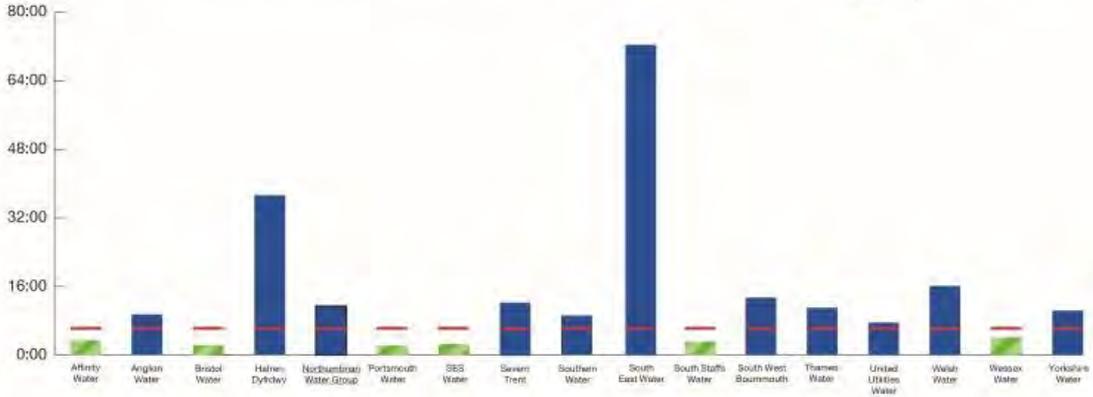
- Technology and efficiency improvements
- Localised teams to respond to incidents
- Temporary water storage to supply small numbers of properties

Unplanned interruptions - comparative performance

View data by product Performance commitments **Current performance**

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.)

Performing at or better than target  
 Performing below target  
 Target

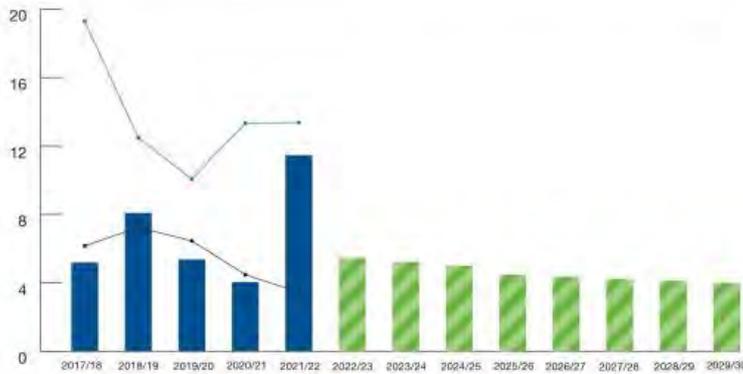


Unplanned interruptions - historic and forecasted performance

View data by product Performance commitments **Current performance** View data by product

Northumbrian Water 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.)

Historic NW performance  
 Forecasted NW performance  
 Historic industry upper quartile  
 Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Service standards

Performance commitments

Long-term plans



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared?  
Too far, just right, not enough?

The appearance, taste and smell of tap water

Service standards

Performance commitments

Long-term plans

**Description of service area**

Sometimes tap water may look discoloured or taste/smell different to usual.

Improving service in this area customers will be less likely to experience these issues.

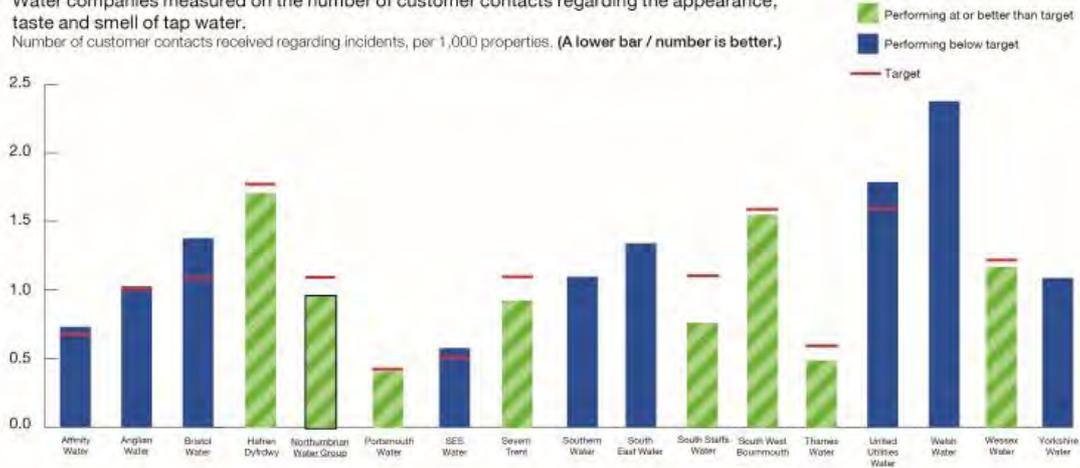
**Examples of how the target will be met**

- replacing and repairing equipment where needed so that water quality is not impacted

The appearance, taste and smell of tap water - comparative performance

Historic performance Performance commitments Long term picture

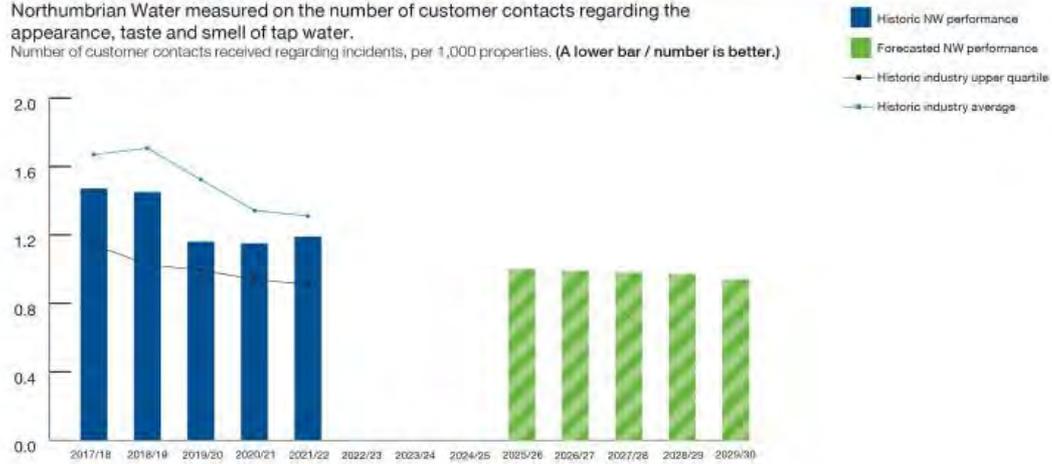
Water companies measured on the number of customer contacts regarding the appearance, taste and smell of tap water.  
 Number of customer contacts received regarding incidents, per 1,000 properties. (A lower bar / number is better.)



The appearance, taste and smell of tap water - historic and forecasted performance

Historic performance Performance commitments Long term picture

Northumbrian Water 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 properties. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis  
 Uses new DWI definition from April 2022.

Question time

Strategic objectives

Performance commitments

Customer feedback



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared?  
Too far, just right, not enough?

Sewage flooding of properties - inside properties

Strategic objectives

Performance commitments

Customer feedback

**Description of service area**

Sewage flooding can be unpleasant, disruptive and a potential health risk.

By improving service in this area fewer customers will experience these incidents.

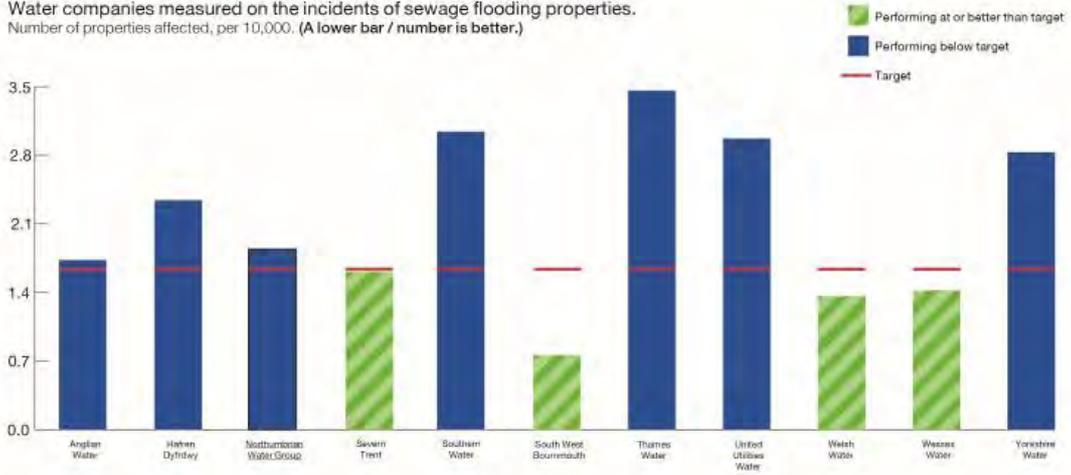
**Examples of how the target will be met**

- Campaigns to educate customers to avoid flushing wipes down the toilet through the 'Bin the wipe' campaign
- Using CCTV to monitor pipes and identify potential issues before they happen

**Sewage flooding of properties - inside properties - comparative performance**

1 | [Background information](#) | **Performance commitments** | [Long term plans](#)

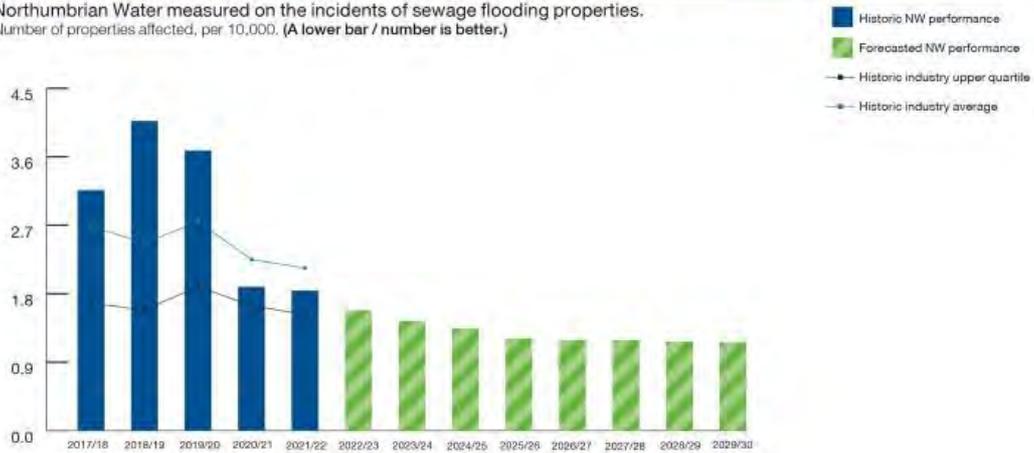
Water companies measured on the incidents of sewage flooding properties.  
 Number of properties affected, per 10,000. (A lower bar / number is better.)



**Sewage flooding of properties - inside properties - historic and forecasted performance**

[Background information](#) | **Performance commitments** | [Long term plans](#)

Northumbrian Water measured on the incidents of sewage flooding properties.  
 Number of properties affected, per 10,000. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Service standards

Performance commitments

Customer feedback



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared?  
Too far, just right, not enough?

Sewer flooding of properties - outside properties

Service standards

Performance commitments

Customer feedback

**Description of service area**

External sewage flooding is inconvenient and unpleasant and can restrict access.

By improving service in this area less customers will experience these incidents.

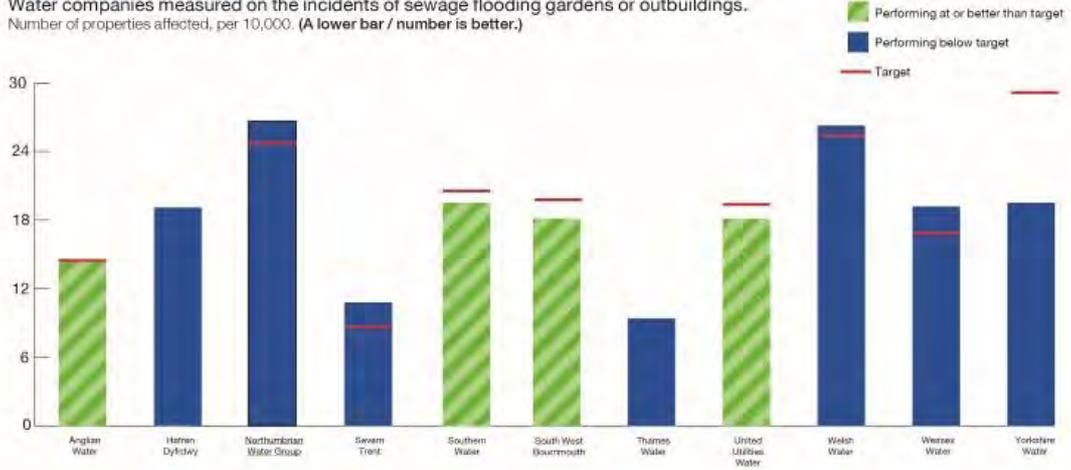
**Examples of how the target will be met**

- An innovation project using AI to recognise potential risks in CCTV footage of the network

**Sewage flooding of properties - outside properties - comparative performance**

5 Water 00 00 00 00 00 Performance commitments 2.000 00 00 00 00 Long term periods

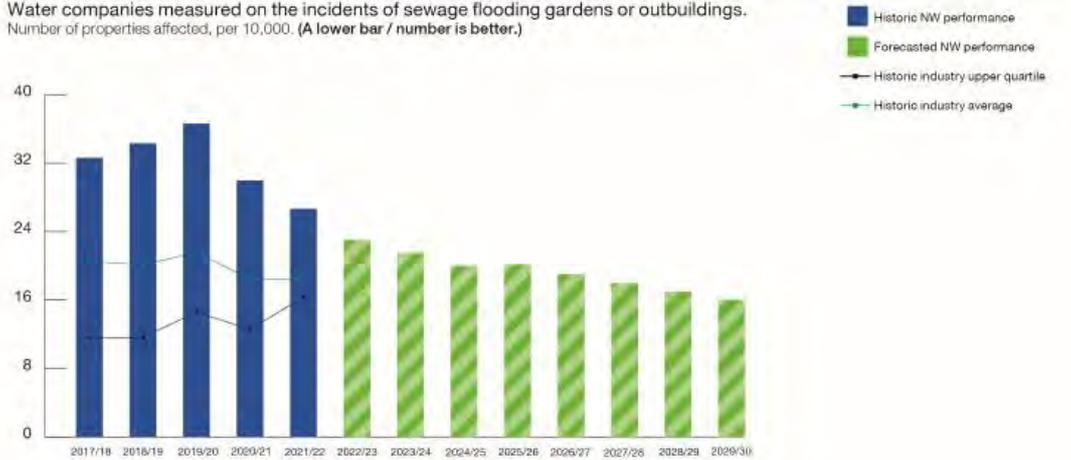
Water companies measured on the incidents of sewage flooding gardens or outbuildings. Number of properties affected, per 10,000. (A lower bar / number is better.)



**Sewage flooding of properties - outside properties - historic and forecasted performance**

5 Water 00 00 00 00 00 Performance commitments 2.000 00 00 00 00 Long term periods

Water companies measured on the incidents of sewage flooding gardens or outbuildings. Number of properties affected, per 10,000. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Strategic objectives Performance commitments Quantifying targets



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water’s level of ambition they have shared?  
 Too far, just right, not enough?

Reducing leaks

Strategic objectives Performance commitments Quantifying targets

**Description of service area**

Fixing leaks can help to make sure there is more water available for people to use, without needing to take more water from the environment.

Reducing leakage further has an increasing cost to people on their bills, and a cost to the environment through more carbon emissions.

**Examples of how the target will be met**

- Utilising the network of pressure monitors and to maintain all existing assets to the correct settings
- Recruiting additional 'find and fix' resource to minimise repair times
- Investing in studies to review water balance components to better understand the relationship between customer consumption and leakage, enabling better targeted interventions

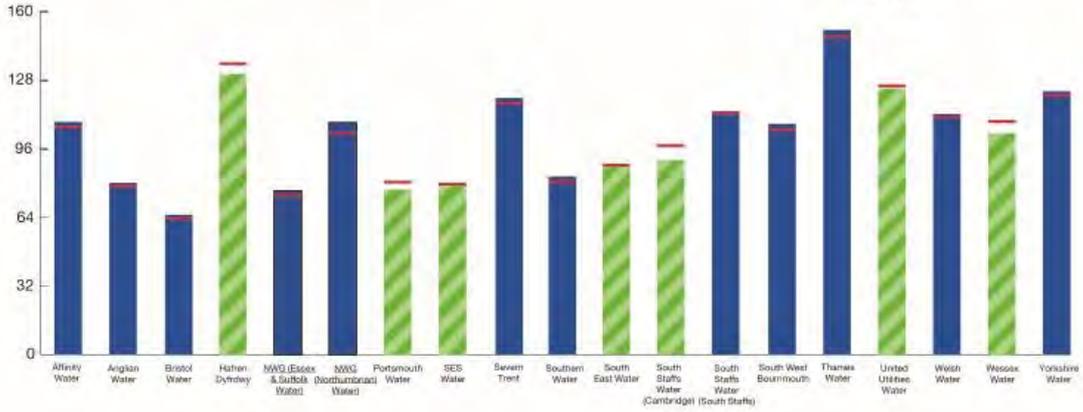
Reducing leaks - comparative performance

18-2023 20-21-2026 Performance commitments Land form period

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

Litres lost per property per day. (A lower bar / number is better.)

■ Performing at or better than target  
 ■ Performing below target  
 — Target



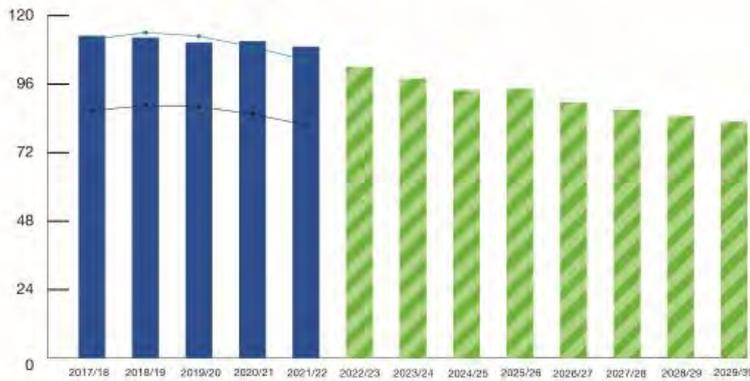
Reducing leaks - historic and forecasted performance

18-2023 20-21-2026 Performance commitments Land form period

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

Litres lost per property per day. (A lower bar / number is better.)

■ Historic NW performance  
 ■ Forecasted NW performance  
 — Historic industry upper quartile  
 — Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Service standards

Performance commitments

Customer feedback



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared?  
Too far, just right, not enough?

Pollution of rivers and bathing waters

Service standards

Performance commitments

Customer feedback

**Description of service area**

Discharges from sewage treatment or networks can affect rivers and bathing waters.

Improving service in this area will reduce the number of pollution incidents that happen.

**Examples of how the target will be met**

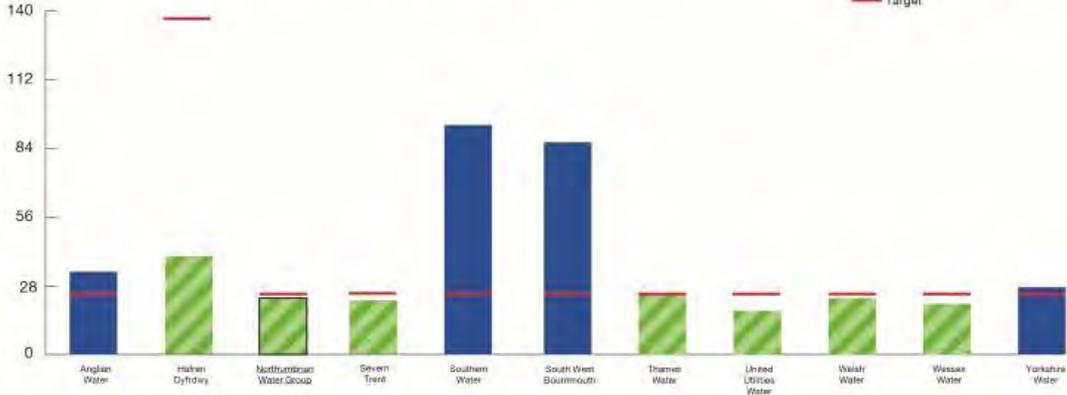
- Increasing power and flooding resilience at water treatment works

Pollution incidents - comparative performance

Key messages overview Performance commitments Long term picture

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.)

Performing at or better than target  
 Performing below target  
 Target

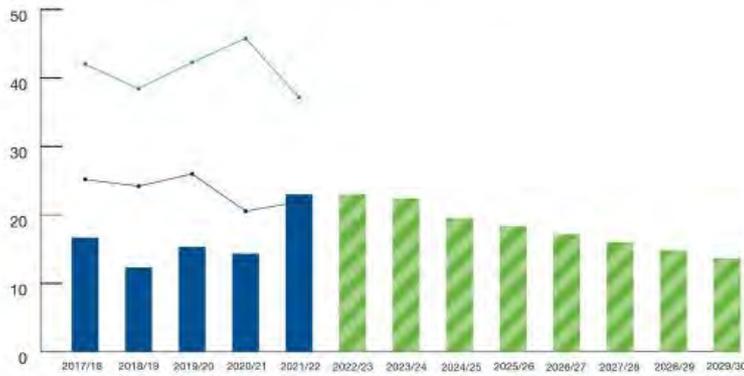


Pollution incidents - historic and forecasted performance

Key messages overview Performance commitments Long term picture

Northumbrian Water 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.)

Historic NW performance  
 Forecasted NW performance  
 Historic industry upper quartile  
 Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Company reputation

Performance commitments

Company values



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared?  
Too far, just right, not enough?

A graphic with a blue and green background and the text "THE LONG TERM PICTURE". The background features abstract, flowing shapes in shades of blue and green, suggesting a landscape or water flow. The text is in a bold, white, sans-serif font.

**THE LONG  
TERM PICTURE**

The long term picture

Addressing commitments   Long term picture   Risk impact



Context

Addressing commitments   Long term picture   Risk impact



Long Term Delivery Strategy aims

Business case commitments

Long term picture

Outcomes

-  Reduce water consumption and leakage to make sure we always have enough water
-  Eliminate the use of storm overflows
-  Have leading levels of river water quality
-  Reduce internal and external sewer flooding
-  Achieve net zero in carbon emissions by 2050
-  Ensure all households have a resilient water supply that stands up to droughts
-  Maintain a reliable sewage network

The long term picture

Business case commitments

Long term picture

Outcomes



**Any points to  
clarify before  
we move on?**

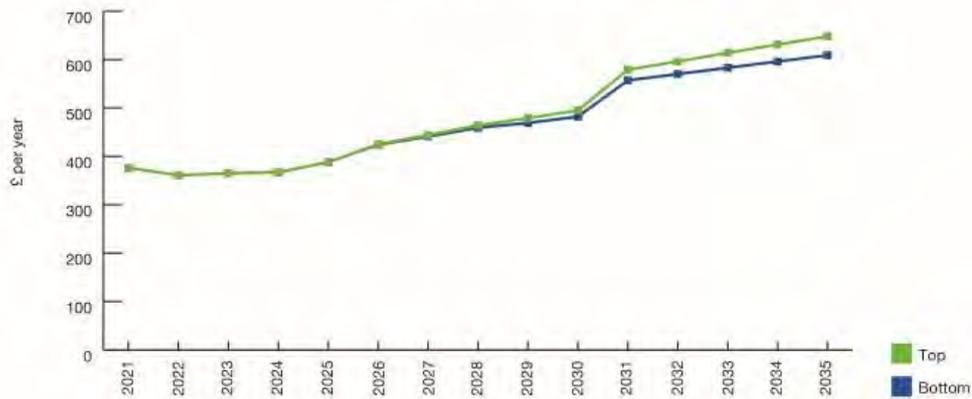
Bill impact

Living with climate

Bill impact

Summary

Potential range of the average customer household bill



Bill impact - why?

Living with climate

Bill impact

Summary

There are a number of drivers behind this projected bill increase over the next 25 years.

These are:

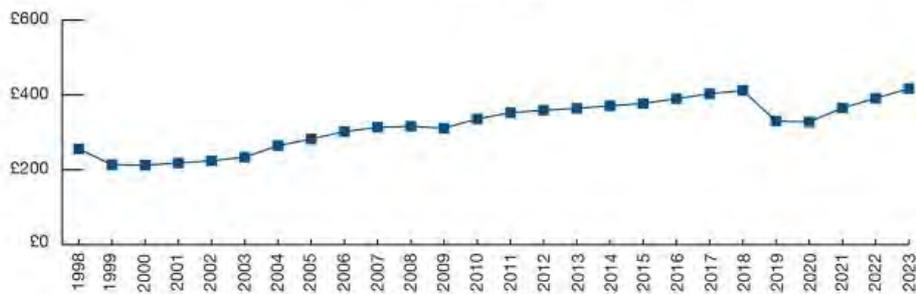
- Storm overflow discharge reductions
- Addressing current and future environmental challenges
- Improving the health of assets so that they are more resilient
- Securing sustainable water supplies - in particular if tighter abstraction limits are set by the environment agency
- Net Zero



Bill impact - for context



Average Northumbrian Water household customer bill



Phasing the investment



Northumbrian Water could phase this investment.

Just like you might if you were thinking about saving up for a long term investment like a new roof.

You could wait until the last minute and save up a lot of money quickly in the last couple of years.

You could start now and put a little bit away each year up until when the improvements are needed.

You could save a lot in the first couple of years, then you don't have to worry about it anymore.

Intergenerational fairness

Long term picture

Bill impact

Summary

- If most investment is done now, future generations will see all the benefit but will not have paid for it.
- If as little as possible investment is made now, future generations will have to pay the cost.



Bill impact

Long term picture

Bill impact

Summary



**Any points to  
clarify before  
we move on?**

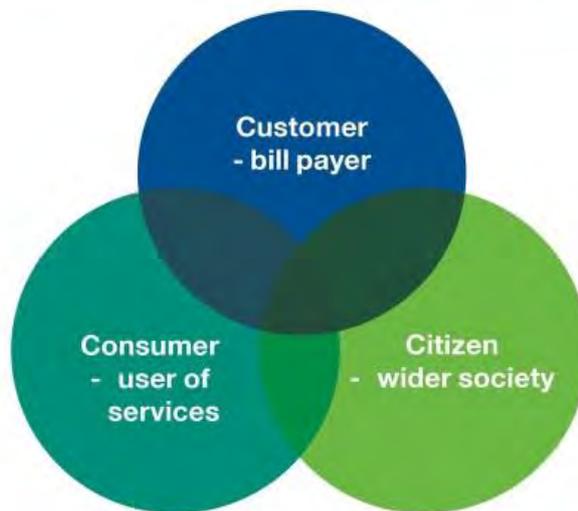
Long Term Delivery Strategy aims

Introduction | Long term picture | Summary

-  Reduce water consumption and leakage to make sure we always have enough water
-  Eliminate the use of storm overflows
-  Have leading levels of river water quality
-  Reduce internal and external sewer flooding
-  Achieve net zero in carbon emissions by 2050
-  Ensure all households have a resilient water supply that stands up to droughts
-  Maintain a reliable sewage network

Three perspectives

Long term picture | Bill impact | Summary



### What have we learned about so far?

Who Northumbrian Water is and the services Northumbrian Water provides

An overview of the business plan process – what this research is all about!

How Northumbrian Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Northumbrian Water need to think about for the long term

Different ways that Northumbrian Water can phase investment – considering:

- Environment
- Intergenerational fairness
- Cost of living

### What is coming up?

A focus on Northumbrian Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan



# WELCOME TO SESSION 2

### What have we learned about so far?

Who Northumbrian Water is and the services Northumbrian Water provides

An overview of the business plan process – what this research is all about!

How Northumbrian Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Northumbrian Water need to think about for the long term

Different ways that Northumbrian Water can phase investment – considering:

- Environment
- Intergenerational fairness
- Cost of living

### What is coming up?

A focus on Northumbrian Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan



**FOCUS ON THE  
PROPOSED PLAN  
FOR 2025-30**

A reminder

Summary

Proposed plan

Read the full

**Our business plan summary 2025-2030**

Northumbrian Water's proposed business plan will allow investment to meet all statutory obligations, drive up service in areas that matter most to customers and address future risks that could cause interruption to your water and wastewater supply.

Improvements in the areas that matter most to customers

By using technology and innovation to drive efficiency, Northumbrian Water will make the most best use of the money we put into the network to increase flow.

	Current service level (2023/24 performance)	Current Northumbrian Water performance compared to other companies	Proposed improved service level	Proposed Northumbrian Water performance compared to other companies
Water supply interruptions, without warning, for longer than 2 hours	11 incidents, 45,000 customers per customer	Average	4 incidents per customer	Top 25% of companies
Reducing leaks	100.0 litres per property per day	Average	84.0 litres per property per day	Average
The appearance, taste and smell of tapwater	15,000 complaints per 1,000 customers	Top 20% of companies	6,000 complaints per 1,000 customers	Top 10% of companies
Seepage flooding of properties (flooded)	1.84 sewer flooding incidents per 10,000 properties	Average	1.18 sewer flooding incidents per 10,000 properties	Top 25% of companies
Seepage flooding of properties - extreme	26.84 sewer flooding incidents per 10,000 properties	Bottom 50% of companies	18.00 sewer flooding incidents per 10,000 properties	Top 25% of companies
Proportion of leaks and faults repaired within 7 days	33.36 public incidents per 10,000km of sewers	Top 20% of companies	12.00 public incidents per 10,000km of sewers	Top 25% of companies

Additional investments

The proposed plan includes additional investments to meet statutory obligations (set by regulators), meet customer needs, or address future risks.

These investments will cost £1.1 billion increasing. This is largely because of investment Northumbrian Water need to do by law, for example to meet new environmental standards. Northumbrian Water does not have a choice and must make these investments and charge all its customers accordingly.

The graphs below show how the current average bill would change by 2030 based on the investment proposed.



The table below shows five of the investments, which we will discuss in more detail in our website. The costs are all included in the £470.28 total proposed bill as an other main job and additional investment.

Is the investment statutory?	What does the investment involve?	Additional cost for customers
Yes	Address water efficiency and leakage	£12.85
Yes	Storm overflow	£30.60
Yes	Improvements to sewer health	£8.24
No	Investments in regional flooding	£2.28
No	Problems on urban drainage adaptation	£5.66
No	Storm overflow	£12.41

Average bill impacts

Proposed plan



The costs we have shared with you so far are a **ball park guide** as to how the average customer bill would be impacted by each package

They do not take into account:

- The rewards or penalties Northumbrian Water might receive based on whether they miss or achieve their targets
- Inflation

These increases wouldn't happen overnight on the 1st of April 2025, they would be introduced gradually from 2025 to 2030

At the end of the session you will see a personalised bill prediction.

Inflation



Water bills change each year in line with inflation.

Inflation is the increase in prices paid for goods and services over time. Household incomes also change over time.

- If your household income keeps up with inflation (i.e., increases at the same rate), then you are likely to notice little difference in what you are paying for things.
- If inflation increases by a faster rate than your household income, then you are likely to have less money to go around.
- If your household income increases by a faster rate than inflation, then you are likely to have more money to go around.

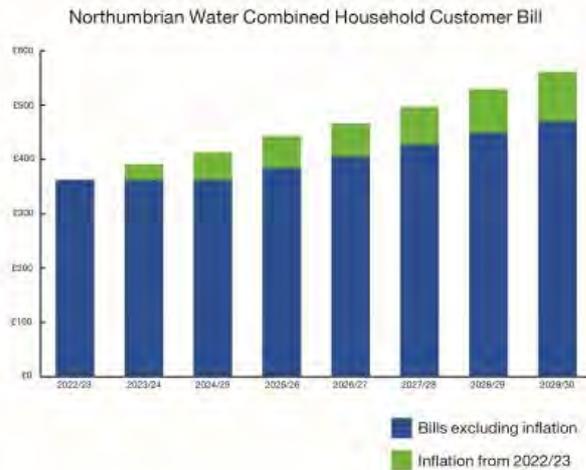
The Bank of England aims to keep inflation at 2%, but it has recently been much higher than this.

**The proposed bills you are now about to see include the Bank of England forecasts for inflation from 2025 to 2030, and proposed amounts to cover the investment in water and sewerage services needed over the next few years.**

Focus on bill impact



The average bill of £470\* a year is what bills would need to be by 2029/30 to fund the investment needed to deliver the proposed plan.



\*Data shown is based on the Bank of England's forecasted levels of inflation.

How has my bill changed over time?



Northumbrian Water bills are currently 11% lower than they were three years ago and are the second lowest water and wastewater company.

2019/20  
**£412** in real terms  
 (without inflation)

2022/23  
**£362** in real terms  
 (without inflation)



Water and wastewater company	Average customer bill for 2022/2023
South West Water	£472
Wessex Water	£470
Welsh Water	£463
Anglian Water	£452
Thames Water	£423
United Utilities	£422
Yorkshire Water	£419
Southern Water	£402
Severn Trent Water	£389
<b>Northumbrian Water</b>	<b>£362</b>
Hafren Dyfrdwy	£334
Industry average	£419

Additional investments - a summary



**Metering,  
 water efficiency  
 and leakage**



**Storm overflows**



**Improvements to  
 asset health**



**Investment in  
 regional flooding**



**Resilience –  
 climate change  
 adaptation**

Metering, water efficiency and leakage

Summary

Proposed plan

What we plan

<b>Description</b>	<b>Benefits to customers</b>
Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	Northumbrian Water will help to improve understanding around the value of water and therefore drive positive behaviour change among customers to use water wisely.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
It is currently being delivered but targets are increasing sharply.	£15.83 by 2030 excluding Inflation

Metering, water efficiency and leakage

Summary

Proposed plan

What we plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing, push all work back	Do what is needed to stay on track for the 2050 target	Do more now and get ahead of the target
<b>Cost in 2025-30</b>	£0.00	£15.83 on bills by 2030 (this is what is in our plan)	£?.?? (depends how much extra)
<b>Impact on service delivery</b>	<p>There would an increased risk of:</p> <ul style="list-style-type: none"> <li>▪ Needing new water supplies like reservoirs</li> <li>▪ Being forced to take too much water from rivers to supply customers.</li> </ul> <p>This option would not comply with the government requirements to reduce water demand and tackle leakage.</p>	<p>This includes giving people a choice about having a smart meter, and providing advice and support on water efficiency (for example, Northumbrian Water offers free repairs for leaking toilets).</p> <p>Northumbrian Water has chosen this option because it does not think there is a good reason to ask customers to pay to go further.</p>	<p>Northumbrian Water could go further – either by accelerating our leakage programme or installing more meters to get ahead of our targets.</p>

Go to Breakouts

Summary Proposed plan **What do I think?**

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Storm overflows

Summary Proposed plan **What do I think?**

### Description

Storm overflows are designed to act as relief valves when the sewerage system is at risk of being overwhelmed, for example during heavy downpours when a lot of rainwater runs into drains and the sewerage system in a short space of time. This investment involves implementing new solutions to reduce the number of times storm overflows operate.

### Benefits to customers

To protect customers' homes from flooding.

### Why it is not already being delivered

It is a new statutory obligation and is now a government requirement.

### Bill impact

£33.33 by 2030 excluding inflation

Storm overflows

Summary

Proposed plan

What do you think?

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Included in must do plan.	Included in proposed plan.	Going further
<b>Cost in 2025-30</b>	£20.92 on bills by 2030 £48.44 on bills by 2035	£33.33 on bills by 2030 £50.76 on bills by 2035	£50.76 on bills by 2030
<b>Impact on service delivery</b>	Tackles 160 out of 310 storm overflows – excludes more difficult storm overflows, which means fewer improvements at bathing waters.  Mostly engineering solutions like concrete tanks.	Tackles 160 out of 310 storm overflows – including more difficult storm overflows, and half the bathing waters.  Converts 50 projects to green solutions like ponds to store the excess water.	Tackles 310 storm overflows – i.e. everything Northumbrian Water must do by 2035, and all bathing waters.  Converts 50 projects to green solutions like ponds to store the excess water.

Go to Breakouts

Proposed plan

What do you think?

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Improvements to asset health

Summary

Proposed plan

Must do plan

**Description**

Northumbrian Water has lots of assets that were built in roughly the same time period. Currently 9% are in need of repair or replacement. This investment involves replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.

**Benefits to customers**

Lower risk of water supply interruptions, issues with water quality and/or pollution incidents.

**Why it is not already being delivered**

It is currently being delivered, however because lots of assets were built at the same time, a lot need replacing at the same time. Ofwat currently base their allowance on past requirements but now that is not enough as there is a lot that need replacing all at the same time.

**Bill impact**

£6.24 by 2030 excluding inflation

Improvements to asset health

Summary

Proposed plan

Must do plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030 - 'must do'	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing over and above usual expenditure	Do what is needed to in order to maintain service levels until 2030	Invest more now to tackle potential future problems
<b>Cost in 2025-30</b>	£0.00	£6.24 on bills by 2030 (in must do and proposed plans)	£11.41 on bills by 2030
<b>Impact on service delivery</b>	<p>Risk of more pollution incidents and supply interruptions – as there is less resilience at treatment works and treated water reservoirs.</p> <p>Risk of deteriorating water quality.</p> <p>Likely to cost more to do in later years.</p>	<p>Fewer pollution incidents and supply interruptions – with fewer failures and more resilience to unexpected events.</p> <p>Northumbrian Water can afford to tackle more risks to water quality.</p>	<p>Increase Northumbrian Water's replacement rate of water mains and sewers.</p> <p>But this impact is mostly longer term.</p>

Go to Breakouts

Summary

Proposed plan

Final plan

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Investment to tackle regional flooding

Summary

Proposed plan

Final plan

### Description

Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.

### Benefits to customers

To protect homes/businesses from flooding across the region.

To attract investment into the region that would otherwise be spent elsewhere.

Other benefits include; improving habitats and improving water quality. It is also an efficient way to tackle properties at risk so communities are protected from other types of flooding too.

### Why it is not already being delivered

It is, but there are more projects that Northumbrian Water would like to deliver.

### Bill impact

£2.28 by 2030 excluding inflation

Investment to tackle regional flooding

Summary

Proposed plan

Must do costs

Phasing option	Low investment in 2025 to 2030 – ‘must do’	Medium investment in 2025 to 2030 – ‘preferred plan’
<b>Description</b>	Do nothing	Work with the Northumbrian Integrated Drainage Partnership (including the Environment Agency and local authorities) to tackle flooding issues across our region together.
<b>Cost in 2025-30</b>	£0.00 on bills by 2030	£2.28 on bills by 2030
<b>Impact on service delivery</b>	2,400 properties still affected by sewer flooding and none of the other benefits realised.  £2.28 on bills by 2035 still required in 2030-35 to tackle sewer flooding issues).	2,400 properties no longer at risk of sewer flooding  Wider flooding schemes delivered in partnership with local authorities, leading to: lower flood risk, storm overflow reductions, habitat creation and water quality improvements.  £65m from others, including government, invested in the north east.

Go to Breakouts

Summary

Proposed plan

Must do costs

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Resilience - climate change adaptation

Summary

Proposed plan

High risk plan

<b>Description</b>	<b>Benefits to customers</b>
Protecting water and wastewater treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	Lowering the risk of water supply interruptions, issues with water quality and pollution incidents.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
This is not currently being delivered because it is a new risk that has been identified by modelling/climate change projections.	£5.63 by 2030 excluding inflation

Resilience - climate change adaptation

Summary

Proposed plan

High risk plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing	Make investment as per the proposed plan	Go further and tackle more potential risks
<b>Cost in 2025-30</b>	£0.00 now £11.26 on bills by 2035	£5.63 on bills by 2030 Another £5.63 by 2035	£11.26 on bills by 2030
<b>Impact on service delivery</b>	<p>More supply interruptions, especially in extreme weather events.</p> <p>More pollution incidents, especially in extreme weather events.</p> <p>Potential for new supply interruptions in hot weather where this can affect backup plans to treat water.</p>	<p>Fewer supply interruptions and pollution incidents, as there would be sufficient back-up power and protection from flooding.</p> <p>Treatment works and pumping stations would be protected for the foreseeable future (based on current expectations for climate change).</p> <p>The immediate impacts of hot weather would be addressed, so no new risks to supply interruptions or other service failures.</p>	<p>In addition to the medium investment, Northumbrian Water could invest tackling algae and increasing treatment capability. Northumbrian Water doesn't think this is needed yet, and would not have much immediate impact on service.</p> <p>However, investing now could protect water supplies if the impact of climate change is faster than expected.</p>

Go to Breakouts

Current Proposed plan 2030

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Reminder of the proposed plan

Current Proposed plan 2030

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Mending, water efficiency and leakage	✓	Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	£19.83
Storm overflows	✓	Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In these cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas.	£18.60
Improvement to asset health	✓	Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£8.24
Investment in regional flooding	✗	Working with north east Local Authorities and the Environment Agency to reduce risk of all types of flooding across the region.	£2.28
Resilience – climate change adaptation	✗	Protecting water and wastewater treatment works from severe weather brought about by climate change to avoid services being interrupted.	£1.63
Storm overflow	✗	This would tackle more storm overflows into bathing water now, rather than delaying these until after 2030. This also includes more green solutions.	£12.41

Current average bill	+	Must do investments	+	Proposed additional investments	=	Average bill in 2030 excluding inflation
£362.00		£85.36		£22.92		£470.28

# FOCUS ON THE MUST DO PLAN

## Overview of the must do plan

Proposed plan

Must do plan

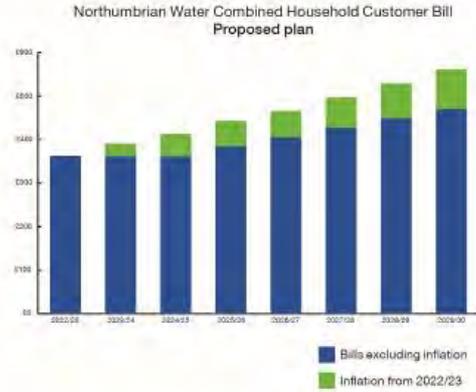
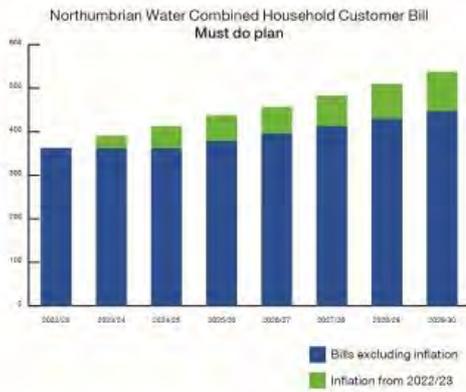
Final plan

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
 Meaning water efficiency and leakage		Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water networks.	£15.83
 Storm overflows		Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In these cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas.  Minimum investment in 2025-30, working back as much investment as possible until after 2025 and choosing the cheapest options for tackling storm overflows.	£30.02
 Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£9.24
 Investment in regional flooding		Working with north east Local Authorities, and other partners to manage a wide range of types of flooding across the region.	£10.00
 Resilience to weather adaptation		Protecting water and wastewater treatment works from severe weather through design to ensure change to avoid services being interrupted.	£5.00
 Storm overflows		This would tackle more storm overflows into bathing water, river and lake, reducing these until after 2030. This also includes more green solutions.	£17.41

Current average bill	+	Must do investments	=	Average bill in 2030 excluding inflation
£362.00		£85.36		£447.36

Focus on bill impact

Without plan | **Must do plan** | With plan



A reminder of the must do plan and the proposed plan

Without plan | **Must do plan** | With plan

**Must do plan**

Investment	Is this investment statutory?	Additional cost for customers
Monitoring water efficiency and leakage	✓	£15.83
Storm overflows	✓	£20.82
Improvements to asset health	✓	£5.24
Investment in regional flooding	✗	£23.00
Resilience – climate change adaptation	✗	£5.63
Storm overflows	✗	£12.41

Current average bill: £362.00 + Must do investments: £85.36 = Average bill in 2030 excluding inflation: £447.36

**Proposed plan**

Investment	Is this investment statutory?	Additional cost for customers
Monitoring water efficiency and leakage	✓	£15.83
Storm overflows	✓	£20.82
Improvements to asset health	✓	£5.24
Investment in regional flooding	✗	£23.28
Resilience – climate change adaptation	✗	£5.63
Storm overflows	✗	£12.41

Current average bill: £362.00 + Must do investments: £85.36 + Proposed additional investments: £22.92 = Average bill in 2030 excluding inflation: £470.28

# WRAP UP AND POST TASK

Survey

Final plan

Wrap up



## **Survey:**

Please complete all the questions in this survey [LINK].



# Appendix 12 - slide deck – ESW – household



Today we will...

Welcome

Tomorrow, 26 June 2024

## **Tonight:**

- Learn about Essex & Suffolk Water's role and responsibilities and the business plan
- Discuss your experiences and priorities

## **Next week:**

- Look at the proposed plan in more detail
- Discuss your thoughts on the proposed plan



Question time

Wider

Specific



On a scale of 1 to 5 how concerned do you feel about the following:

- The impact of climate change on the UK
- The cost of living crisis in the UK
- Your own personal finances
- Your own carbon footprint

(1=not at all concerned, 5=very concerned)

# REACTIONS TO THE PRE-TASK

Go to Breakouts...

Reactions

Reactions to pre-task

Other Acceptable Water



## We want to hear more about your reactions to the pre-task.

Before you start, please introduce yourself to your breakout group.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water company in any way? How?

# INTRODUCTION TO ESSEX & SUFFOLK WATER

Introduction to Essex & Suffolk Water

Transition to full-scale Essex & Suffolk Water The customer experience





# Any points to clarify before we move on?



## On a scale of 1 to 10, how confident are you in your understanding of Essex & Suffolk Water's role?

(1=not at all, 10=very confident)

Question time

Northumbrian Water

Essex & Suffolk Water

Northumbrian Water



On a scale of 1 to 10, overall how satisfied are you with the service you receive from Essex & Suffolk Water?

(1=very dissatisfied, 10=very satisfied)

**RE-CAP ON SOME  
INFORMATION  
FROM THE  
PRE-TASK**

Overview of the business plan process

Essex & Suffolk Water

Re-cap on pre-task

Performance commitments



Essex & Suffolk Water's services

Essex & Suffolk Water

Re-cap on pre-task

Performance commitments



**Providing reliable  
water and  
wastewater services**



**Providing unrivalled  
customer service**



**Caring for the  
environment**



**Making sure services  
are resilient in the  
long term**



**Helping customers  
who can not afford to  
pay their water bills**



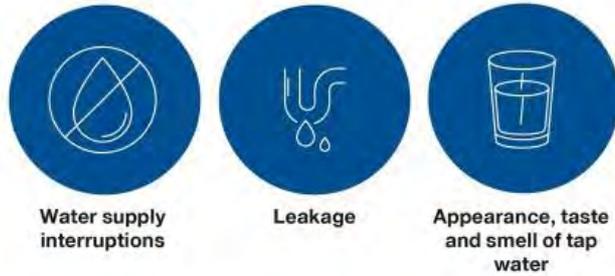
**Providing extra  
support to customers  
who need it**



**Caring for local  
communities**

Introduction to the plan: meeting service levels

Essex & Suffolk Water    Pre-cap 101 pre-task    Performance commitments

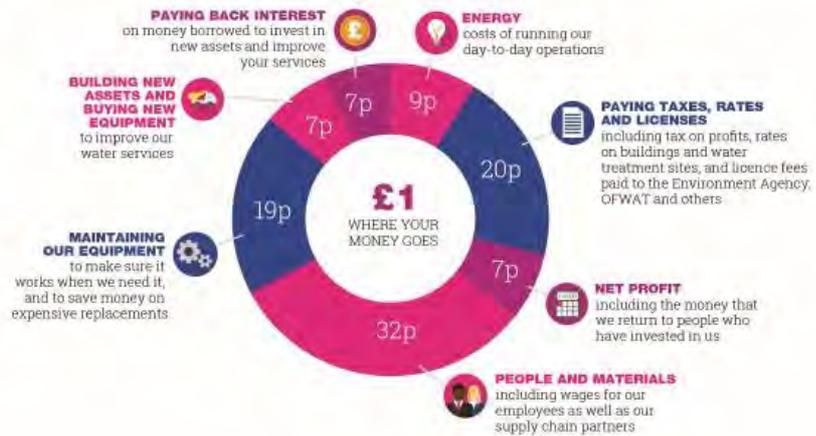


What does the Essex & Suffolk Water business plan include?

Essex & Suffolk Water    Pre-cap 101 pre-task    Performance commitments

As you will have seen in the pre-task, the business plan will also confirm how much customers pay Essex & Suffolk Water for their water services.

The average customer bill for Essex & Suffolk Water customers now is £245 per year. This is where this money goes...



How have bills changed over time?

Scale & comparison    Re-cap on pre-task    Performance measures

Essex & Suffolk Water bills are currently 4% lower than they were three years ago.

2019/20  
**£256** in real terms  
 (without inflation)

2022/23  
**£245** in real terms  
 (without inflation)



Water company	Average customer bill for 2022/23
Affinity Water (Central region)	£175
Affinity Water (East region)	£200
Affinity Water (South East region)	£225
Anglian Water	£202
Bournemouth Water	£142
Bristol Water	£202
Cambridge Water	£148
Dŵr Cymru Wales Water	£182
Essex & Suffolk Water	£245
Hafren Dyfodwy	£179
Northumbrian Water	£178
Portsmouth Water	£109
SES Water	£193
Severn Trent Water	£199
South East Water	£221
South Staffs Water	£160
South West Water	£218
Southern Water	£171
Thames Water	£232
United Utilities	£202
Wessex Water	£238
Yorkshire Water	£186
Industry average	£200

Wastewater services

Scale & comparison    Re-cap on pre-task    Performance measures

Remember you pay a separate amount for your wastewater services to Anglian Water or Thames Water and this is not included in the bill amounts shown today.

Your wastewater bill is also likely to increase from 2025 due to other statutory obligations, regulations related to wastewater services or other improvements proposed.

Anglian Water and Thames Water expect their average wastewater customer bill to be impacted as follows:



Pre-task re-cap

Essex & Suffolk Water

Re-cap on pre-task

Performance commitment



**Any points to clarify before we move on?**

Question time

Essex & Suffolk Water

Re-cap on pre-task

Performance commitment



**On a scale of 1 to 10, overall how satisfied are you with the value for money you receive from Essex & Suffolk Water for your water?**

(1=very dissatisfied, 10=very satisfied)

Go to Breakouts

Intro & context/Water

Re-cap on pre-task

Performance commitments



## We want to know more about what matters most.

- From what you have seen so far, what areas matter most to you? Why?
- Where do you think investment/improvement is most needed? Why?

**MORE ON THE  
PERFORMANCE  
COMMITMENTS**

Unplanned interruptions

14-000000 (0:00:00)

Performance commitments

2 (0:00:00)

**Description of service area**

If a water supply is interrupted with warning for more than three hours, it would not be possible to get water from the taps or flush the toilet; it may be necessary to buy bottled water.

**Examples of how the target will be met**

- Technology and efficiency improvements
- Localised teams to respond to incidents
- Temporary water storage to supply small numbers of properties

Unplanned interruptions - comparative performance

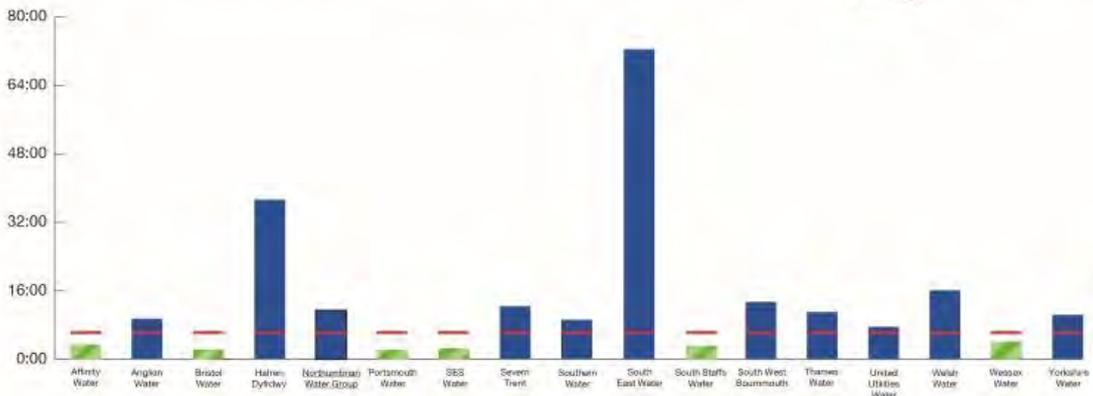
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Performance commitments

2 (0:00:00)

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.)

■ Performing at or better than target  
 ■ Performing below target  
 — Target

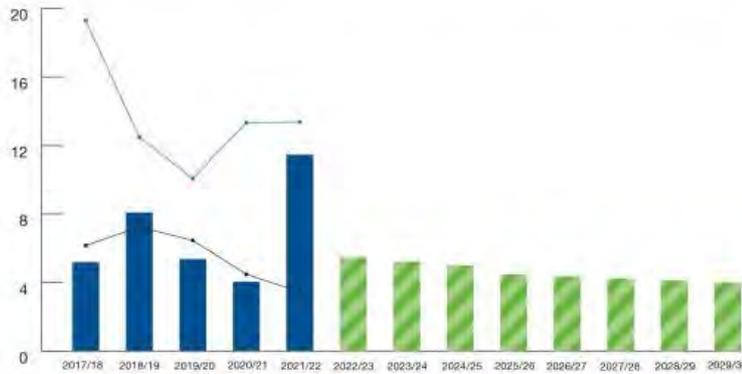


Unplanned interruptions - historic and forecasted performance

Essex & Suffolk Water Performance commitments Living Water Goals

Essex & Suffolk Water 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.)

- Historic ESW performance
- Forecasted ESW performance
- Historic industry upper quartile
- Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Performance commitments Living Water Goals



On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Essex & Suffolk Water's level of ambition they have shared?  
 Too far, just right, not enough?

The appearance, taste and smell of tap water

How we measure

Performance commitments

What we promise

**Description of service area**

Sometimes tap water may look discoloured or taste/smell different to usual.

Improving service in this area customers will be less likely to experience these issues.

**Examples of how the target will be met**

- replacing and repairing equipment where needed so that water quality is not impacted

The appearance, taste and smell of tap water - comparative performance

How we measure

Performance commitments

What we promise

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 properties. (A lower bar / number is better.)

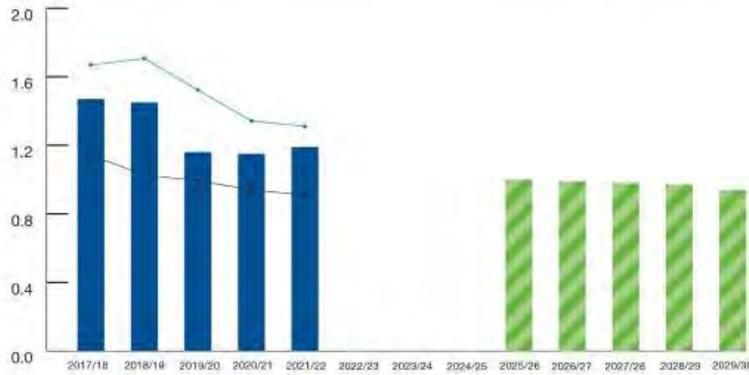


**The appearance, taste and smell of tap water - historic and forecasted performance**

Essex & Suffolk Water Performance commitments

Essex & Suffolk Water 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 properties. (A lower bar / number is better.)

- Historic ESW performance
- Forecasted ESW performance
- Historic industry upper quartile
- Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis  
 Uses new DWI definition from April 2022.

**Question time**

Performance commitments



**On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?**

(1=not at all important, 5=very important)

**How do you feel about Essex & Suffolk Water’s level of ambition they have shared?  
 Too far, just right, not enough?**

Reducing leaks

Reducing leaks

Performance commitments

Long term plans

**Description of service area**

Fixing leaks can help to make sure there is more water available for people to use, without needing to take more water from the environment.

Reducing leakage further has an increasing cost to people on their bills, and a cost to the environment through more carbon emissions.

**Examples of how the target will be met**

- Utilising the network of pressure monitors and to maintain all existing assets to the correct settings
- Recruiting additional 'find and fix' resource to minimise repair times
- Investing in studies to review water balance components to better understand the relationship between customer consumption and leakage, enabling better targeted interventions

Reducing leaks - comparative performance

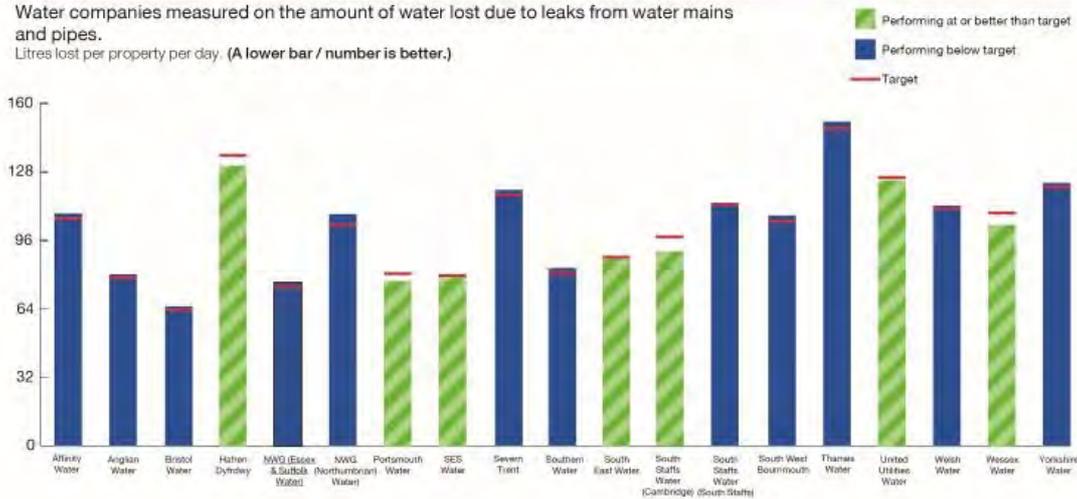
Reducing leaks

Performance commitments

Long term plans

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

Litres lost per property per day. (A lower bar / number is better.)

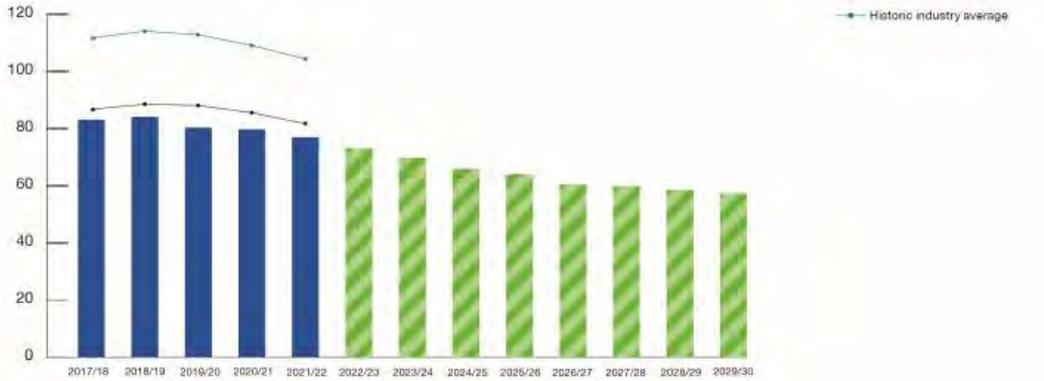


Reducing leaks - historic and forecasted performance

Financial performance Performance commitments Living water

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

Litres lost per property per day. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Financial performance Performance commitments Living water



On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Essex & Suffolk Water’s level of ambition they have shared?  
 Too far, just right, not enough?

# THE LONG TERM PICTURE

The long term picture

High level summary

Long term picture

Risk impact



Context

Regulatory commitments

Long term picture

Key Impact

2025-30  
business  
plan

2030-35  
business  
plan

2035-40  
business  
plan

2040-45  
business  
plan

2045-50  
business  
plan

Essex & Suffolk Water's Long Term Delivery Strategy (LTDS)

Impact of climate change? →

Impact of population growth? →

Impact of innovation and new technology? →

Long Term Delivery Strategy aims

Regulatory commitments

Long term picture

Key Impact



Reduce water consumption and leakage to make sure we always have enough water



Achieve net zero in carbon emissions by 2050



Ensure all households have a resilient water supply that stands up to droughts

The long term picture

Regulatory commitments

Long term picture

Bill impact



# Any points to clarify before we move on?

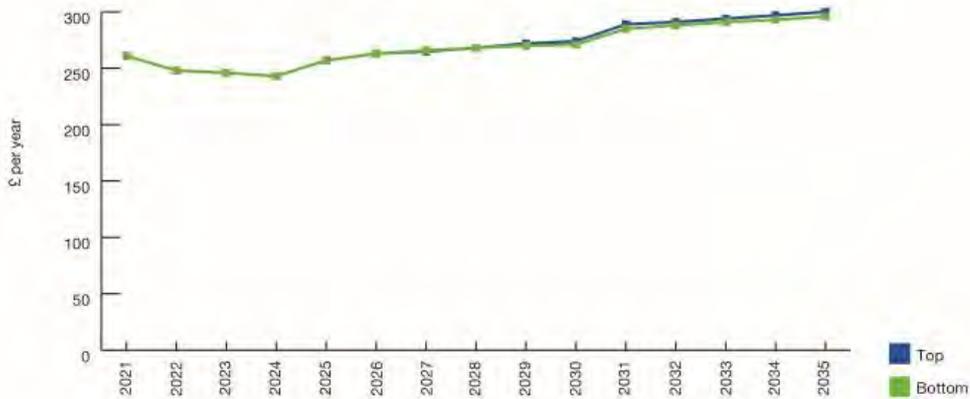
Bill impact

Regulatory commitments

Bill impact

Summary

Potential range of the average customer household bill



Bill impact - why?



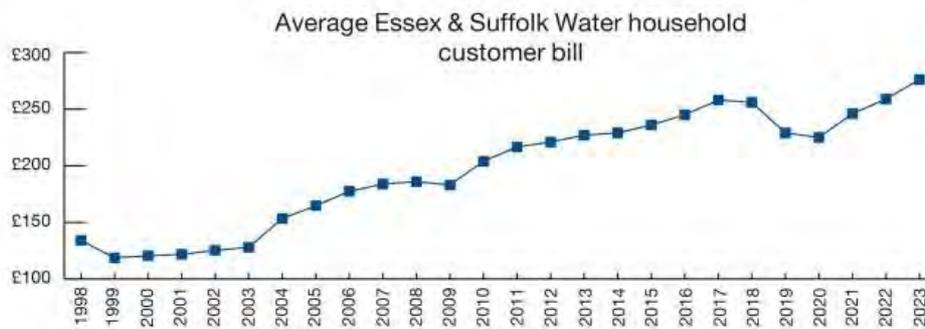
There are a number of drivers behind this projected bill increase over the next 25 years.

These are:

- Addressing current and future environmental challenges
- Improving the health of assets so that they are more resilient
- Securing sustainable water supplies - in particular if tighter abstraction limits are set by the environment agency
- Net Zero



Bill impact - for context



#### Phasing the investment

Long term future

Bill impact

Summary

Essex & Suffolk Water could phase this investment.

Just like you might if you were thinking about saving up for a long term investment like a new roof.

You could wait until the last minute and save up a lot of money quickly in the last couple of years.

You could start now and put a little bit away each year up until when the improvements are needed.

You could save a lot in the first couple of years, then you don't have to worry about it anymore.

#### Intergenerational fairness

Long term future

Bill impact

Summary

- If most investment is done now, future generations will see all the benefit but will not have paid for it.
- If as little as possible investment is made now, future generations will have to pay the cost.



Bill impact

Long term picture

Bill impact

Summary



# Any points to clarify before we move on?

Long Term Delivery Strategy aims

Long term picture

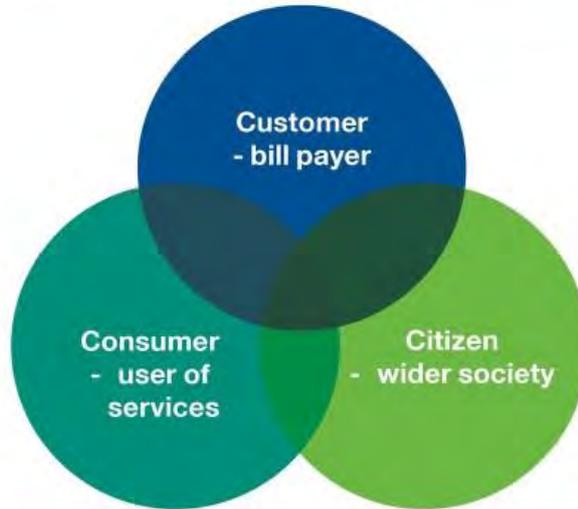
-  Reduce water consumption and leakage to make sure we always have enough water
-  Achieve net zero in carbon emissions by 2050
-  Ensure all households have a resilient water supply that stands up to droughts

Three perspectives

Long term picture

Bill impact

Summary



Summary

Bill impact

Summary

**What have we learned about so far?**

- Who Essex & Suffolk Water is and the services Essex & Suffolk Water provides
- An overview of the business plan process – what this research is all about!
- How Essex & Suffolk Water is performing in different areas
- How bills have changed and will change
- The long term picture – the key areas Essex & Suffolk Water need to think about for the long term
- Different ways that Essex & Suffolk Water can phase investment – considering:
  - Environment
  - Intergenerational fairness
  - Cost of living

**What is coming up?**

- A focus on Essex & Suffolk Water's planning for 2025 - 2030
- Discussion around some of their investments – hearing from you how important they are
- Proposed plan vs must do plan – your thoughts
- Your thoughts around affordability and acceptability of each plan

# WELCOME TO SESSION 2

## Summary

Summary

Proposed plan

### What have we learned about so far?

Who Essex & Suffolk Water is and the services Essex & Suffolk Water provides

An overview of the business plan process – what this research is all about!

How Essex & Suffolk Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Essex & Suffolk Water need to think about for the long term

Different ways that Essex & Suffolk Water can phase investment – considering:

- Environment
- Intergenerational fairness
- Cost of living

### What is coming up?

A focus on Essex & Suffolk Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan

# FOCUS ON THE PROPOSED PLAN FOR 2025-30

A reminder

Business

Proposed plan

Final decision

**ESSEX & SUFFOLK WATER** *living water*

### Our business plan summary 2025-2030

Essex & Suffolk Water's proposed business plan will allow investment to meet all existing obligations, allow us to continue to invest that enables us to improve and enhance future value that would increase investment in your water supply.

Investment in the water supply network is essential to ensure that we can continue to provide a safe and secure water supply to our customers.

Category	Current plan (2025-2030)	Proposed plan (2025-2030)	Investment in the water supply network
Water supply investment	£1.1 billion	£1.1 billion	£1.1 billion
Water supply investment	£1.1 billion	£1.1 billion	£1.1 billion
Water supply investment	£1.1 billion	£1.1 billion	£1.1 billion

The proposed plan will allow us to continue to provide a safe and secure water supply to our customers.

The graph below shows how the current average customer bill will change by 2025 based on the investment proposed.

Current average bill	£245.00	+	Cost of investment	£51.99	+	Proposed investment	£5.78	=	Change in 2025 average bill	£302.77
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The table below shows how the investment plan will allow us to invest in our assets. The assets are all included in the ORE 27 total investment plan as well as other assets for asset replacement investments.

Asset	Investment	After asset investment included	Investment plan
Water supply network	£1.1 billion	£1.1 billion	£1.1 billion
Water supply network	£1.1 billion	£1.1 billion	£1.1 billion
Water supply network	£1.1 billion	£1.1 billion	£1.1 billion

Investment in the water supply network is essential to ensure that we can continue to provide a safe and secure water supply to our customers.

Wastewater services

Summary

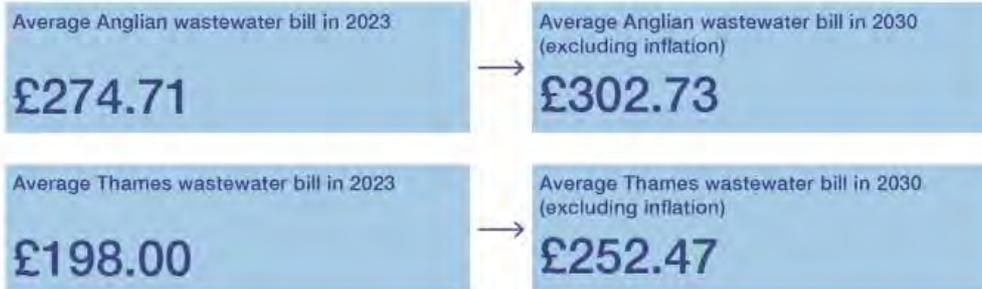
Proposed plan

Water 2023

Remember you pay a separate amount for your wastewater services to Anglian Water or Thames Water and this is not included in the bill amounts shown today.

Your wastewater bill is also likely to increase from 2025 due to other statutory obligations, regulations related to wastewater services or other improvements proposed.

Anglian Water and Thames Water expect their average wastewater customer bill to be impacted as follows:



Average bill impacts

Proposed plan



The costs we have shared with you so far are a **ball park guide** as to how the average customer bill would be impacted by each package

They do not take into account:

- The rewards or penalties Essex & Suffolk Water might receive based on whether they miss or achieve their targets
- Inflation

These increases wouldn't happen overnight on the 1st of April 2025, they would be introduced gradually from 2025 to 2030

At the end of the session you will see a personalised bill prediction.

Inflation



Water bills change each year in line with inflation.

Inflation is the increase in prices paid for goods and services over time. Household incomes also change over time.

- If your household income keeps up with inflation (i.e., increases at the same rate), then you are likely to notice little difference in what you are paying for things.
- If inflation increases by a faster rate than your household income, then you are likely to have less money to go around.
- If your household income increases by a faster rate than inflation, then you are likely to have more money to go around.

The Bank of England aims to keep inflation at 2%, but it has recently been much higher than this.

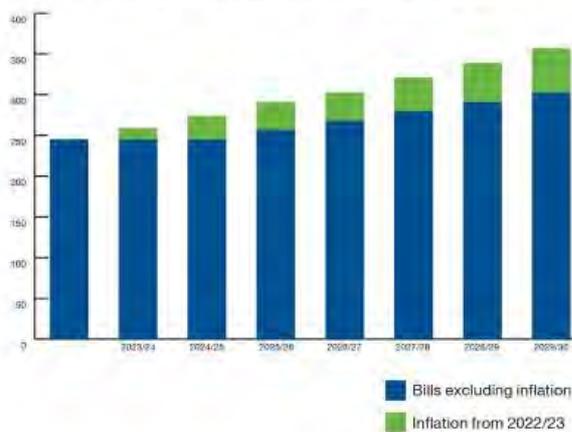
**The proposed bills you are now about to see include the Bank of England forecasts for inflation from 2025 to 2030, and proposed amounts to cover the investment in water and sewerage services needed over the next few years.**

Focus on bill impact



The average bill of £303\* a year is what bills would need to be by 2029/30 to fund the investment needed to deliver the proposed plan.

Essex & Suffolk Water Household Customer Bill



\*Data shown is based on the Bank of England's forecasted levels of inflation.

How has my bill changed over time?

Summary Proposed plan **What's going on?**

Essex & Suffolk Water bills are currently 4% lower than they were three years ago.

2019/20  
**£256** in real terms  
 (without inflation)

2022/23  
**£245** in real terms  
 (without inflation)



Water company	Average customer bill for 2022/23
Affinity Water (Central region)	£175
Affinity Water (East region)	£200
Affinity Water (South East region)	£225
Anglian Water	£202
Bournemouth Water	£142
Bristol Water	£202
Cambridge Water	£148
Dŵr Cymru Welsh Water	£182
<b>Essex &amp; Suffolk Water</b>	<b>£245</b>
Hafron Dyfrdwy	£179
Northumbrian Water	£178
Portsmouth Water	£109
SES Water	£193
Severn Trent Water	£199
South East Water	£221
South Staffs Water	£160
South West Water	£218
Southern Water	£171
Thames Water	£232
United Utilities	£202
Wessex Water	£238
Yorkshire Water	£186
Industry average	£200

Additional investments - a summary

Summary Proposed plan **What's going on?**



**Metering, water efficiency and leakage**



**Improvements to asset health**



**Water supply options**



**Resilience – climate change adaptation**

Metering, water efficiency and leakage

Summary

Proposed plan

Must do plan

<b>Description</b>	<b>Benefits to customers</b>
Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	Essex & Suffolk Water will help to improve understanding around the value of water and therefore drive positive behaviour change among customers to use water wisely.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
It is currently being delivered but targets are increasing sharply.	£19.44 by 2030 excluding Inflation

Metering, water efficiency and leakage

Summary

Proposed plan

Must do plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing	Must do	Do more now and get ahead of the target
<b>Cost in 2025-30</b>	£0.00	£19.44 on bills by 2030 (this is what is in our plan)	£??.?? (depends how much extra)
<b>Impact on service delivery</b>	<p>There would an increased risk of:</p> <ul style="list-style-type: none"> <li>▪ Needing new water supplies like reservoirs</li> <li>▪ Being forced to take too much water from rivers to supply customers.</li> </ul> <p>This option would not comply with the government requirements to reduce water demand and tackle leakage.</p>	<p>This includes compulsory smart meters, providing advice and support on water efficiency (for example, Essex &amp; Suffolk Water offers free repairs for leaking toilets) and reducing leakage.</p> <p>This also includes innovation to reduce water demand from businesses and agriculture.</p>	<p>Essex &amp; Suffolk Water could go further – doing more with schools to educate future customers on using water wisely, advocate for water neutral new housing developments and water reuse for businesses.</p>

Go to Breakouts

Summary Proposed plan **What do you think?**

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Improvements to asset health

Summary Proposed plan **What do you think?**

<p><b>Description</b></p> <p>Essex &amp; Suffolk Water has lots of assets that were built in roughly the same time period. Currently 9% are in need of repair or replacement. This investment involves replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.</p>	<p><b>Benefits to customers</b></p> <p>Lower risk of water supply interruptions and issues with water quality.</p>
<p><b>Why it is not already being delivered</b></p> <p>It is currently being delivered, however because lots of assets were built at the same time, a lot need replacing at the same time. Ofwat currently base their allowance on past requirements but now that is not enough as there is a lot that need replacing all at the same time.</p>	<p><b>Bill impact</b></p> <p>£5.48 by 2030 excluding inflation</p>

Improvements to asset health

Essex & Suffolk

Proposed plan

Northumbrian

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030 - 'must do'	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing over and above usual expenditure	Do what is needed to in order to maintain service levels until 2030	Invest more now to tackle potential future problems
<b>Cost in 2025-30</b>	£0.00	£5.48 on bills by 2030 (in must do and proposed plans)	£9.01 on bills by 2030
<b>Impact on service delivery</b>	<p>Risk of more supply interruptions – as there is less resilience at treatment works and treated water reservoirs.</p> <p>Risk of deteriorating water quality.</p> <p>Likely to cost more to do in later years.</p>	<p>Fewer supply interruptions – with fewer failures and more resilience to unexpected events.</p> <p>Essex &amp; Suffolk Water can afford to tackle more risks to water quality.</p>	<p>Increase Essex &amp; Suffolk Water's replacement rate of water mains.</p> <p>But this impact is mostly longer term.</p>

Go to Breakouts

Proposed plan

Essex & Suffolk

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Water supply options

Summary

Proposed plan

Must do plan

<b>Description</b> Essex & Suffolk Water plans over the long term to make sure there is sufficient water to meet demand. Their modelling has shown investment in new water supplies is needed. This includes schemes to recycle wastewater and build new storage reservoirs.	<b>Benefits to customers</b> There is sufficient water in the future and less risk of restrictions like hose pipe bans.
<b>Why it is not already being delivered</b> Due to environmental protection, there have been changes about how much water can be taken from rivers, therefore new water supplies are now needed.	<b>Bill impact</b> £22.26 by 2030 excluding inflation

Water supply options

Summary

Proposed plan

Must do plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing and push everything back	Must do	Do more now and get ahead of the target
<b>Cost in 2025-30</b>	£0.00 now	£22.26 on bills by 2030	£?.?? (depends how much extra)
<b>Impact on service delivery</b>	<p>There would be an increased risk of interruption to supply by 2032, damage caused by taking too much water from rivers and increased leakage.</p> <p>This would not be acceptable to the Environment Agency, and Essex &amp; Suffolk Water would breach the law by doing this.</p>	<p>Reduced risk of interruption to supply to meet water demand for 2032 and beyond while continuing to protect the environment.</p>	<p>Essex &amp; Suffolk Water are currently designing a new reservoir to reduce the risk of interruption to supply. This work could start earlier than planned to help to protect the environment.</p> <p>Essex &amp; Suffolk Water will need to make decisions in 2023 about future needs of customers. Delaying investment could make this more difficult.</p>

Go to Breakouts

Summary

Proposed plan

What to think

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Resilience - climate change adaptation

Summary

Proposed plan

What to think

### Description

Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.

### Benefits to customers

Lowering the risk of water supply interruptions and issues with water quality.

### Why it is not already being delivered

This is not currently being delivered because it is a new risk that has been identified by modelling/climate change projections.

### Bill impact

£4.59 by 2030 excluding inflation

Resilience - climate change adaptation

Summary

Proposed plan

Go to Breakouts

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing	Make investment as per the proposed plan	Go further and tackle more potential risks
<b>Cost in 2025-30</b>	£0.00 now	£4.59 on bills by 2030	£9.18 on bills by 2030
<b>Impact on service delivery</b>	<p>More supply interruptions, especially in extreme weather events.</p> <p>Potential for new supply interruptions in hot weather where this can affect backup plans to treat water.</p>	<p>Fewer supply interruptions, as there would be sufficient back-up power.</p> <p>Treatment works and pumping stations would be protected for the foreseeable future (based on current expectations for climate change).</p> <p>The immediate impacts of hot weather would be addressed, so no new risks to supply interruptions or other service failures.</p>	<p>In addition to the medium investment, Essex &amp; Suffolk Water could invest tackling algae and increasing treatment capability. Essex &amp; Suffolk Water doesn't think this is needed yet, and would not have much immediate impact on service.</p> <p>However, investing now could protect water supplies if the impact of climate change is faster than expected.</p>

Go to Breakouts

Summary

Proposed plan

Go to Breakouts

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Reminder of the proposed plan

Summary

Proposed plan

Must do plan

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
 Metering, water efficiency and leakage	✓	Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	£19.44
 Securing water supplies	✓	Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	£22.26
 Improvements to asset health	✓	Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£5.48
 Resilience – climate change adaptation	✗	Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	£4.59

Current average bill	+	Must do investments	+	Proposed additional investments	=	Average bill in 2030 excluding inflation
£245		£51.99		£5.78		£302.77



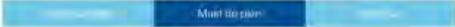
Overview of the must do plan



	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage	✓	Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	£19.44
Securing water supplies	✓	Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	£22.26
Improvements to asset health	✓	Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	£5.46
Resilience – climate change adaptation	✗	Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	£4.83

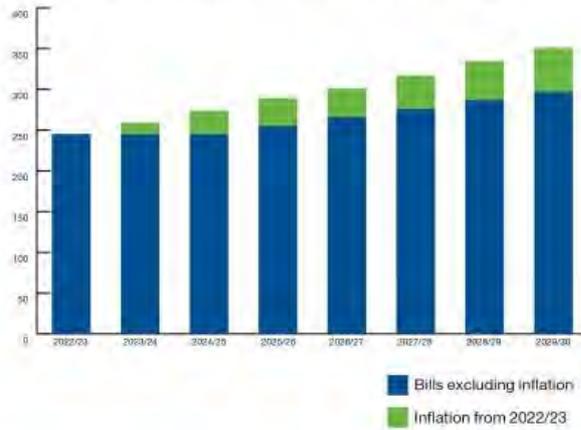
$$\begin{array}{|c|} \hline \text{Current average bill} \\ \hline \mathbf{£245.00} \\ \hline \end{array}
 +
 \begin{array}{|c|} \hline \text{Must do investments} \\ \hline \mathbf{£51.99} \\ \hline \end{array}
 =
 \begin{array}{|c|} \hline \text{Average bill in 2030 excluding inflation} \\ \hline \mathbf{£296.99} \\ \hline \end{array}$$

Focus on bill impact



The average bill of £297 a year is what bills would need to be by 2029/30 to fund the investment needed to deliver the must do plan.

Essex & Suffolk Water Household Customer Bill

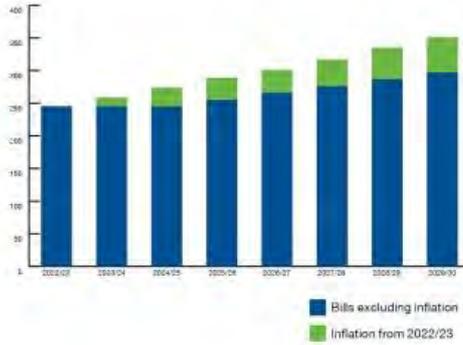


\*Data shown is based on the Bank of England's forecasted levels of inflation.

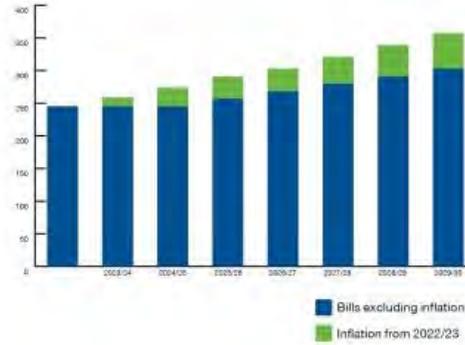
Focus on bill impact



Essex & Suffolk Water Combined Household Customer Bill  
**Must do plan**



Essex & Suffolk Combined Household Customer Bill  
**Proposed plan**



A reminder of the must do plan and the proposed plan



Must do plan

	Is this investment statutory?	Additional cost for customers
Metering, water efficiency and leakage	✓	£19.44
Securing water supplies	✓	£22.26
Improvements to asset health	✓	£5.48
Resilience – climate change adaptation	✗	<del>£4.59</del>

Current average bill: £245.00 + Must do investments: £51.99 = Average bill in 2026 (including inflation): £296.99

Proposed plan

	Is this investment statutory?	Additional cost for customers
Metering, water efficiency and leakage	✓	£19.44
Securing water supplies	✓	£22.26
Improvements to asset health	✓	£5.48
Resilience – climate change adaptation	✗	£4.59

Current average bill: £245.00 + Must do investments: £51.99 + Proposed additional investments: £5.78 = Average bill in 2026 (including inflation): £302.77



# WRAP UP AND POST TASK

Survey

Final day plan

Wrap up



**Survey:**

Please complete all the questions in this survey [LINK].

**THANK YOU**

# Appendix 13 - slide deck – NW – non-household



Today we will...

Welcome

Thanking you for...

## **Tonight:**

- Learn about Northumbrian Water's role and responsibilities and the business plan
- Discuss your experiences and priorities

## **Next week:**

- Look at the proposed plan in more detail
- Discuss your thoughts on the proposed plan



Question time

Welcome

Acceptability Research



On a scale of 1 to 5 how concerned do you feel about the following:

- The impact of climate change on the UK
- The cost of living crisis in the UK
- Financial stability of your business/organisation
- Carbon footprint of your business/organisation

(1=not at all concerned, 5=very concerned)

## REACTIONS TO THE PRE-TASK

Go to Breakouts...

Introduction

Reactions to pre-task

Feedback



## We want to hear more about your reactions to the pre-task.

Before you start, please introduce yourself to your breakout group.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water company in any way? How?

# INTRODUCTION TO NORTHUMBRIAN WATER

Introduction to Northumbrian Water

Reactions to pre-fee

Northumbrian Water

Fee cap on pre-fee



Introduction to Northumbrian Water

Reactions to pre-fee

Northumbrian Water

Fee cap on pre-fee



**Any points to  
clarify before  
we move on?**

Question time



**On a scale of 1 to 10, how confident are you in your understanding of Northumbrian Water's role?**

(1=not at all, 10=very confident)

Question time



**On a scale of 1 to 10, overall how satisfied are you with the service you receive from Northumbrian Water?**

(1=very dissatisfied, 10=very satisfied)

# RE-CAP ON SOME INFORMATION FROM THE PRE-TASK

Overview of the business plan process

Northumbrian Water

Re-cap on pre-task

Performance submissions

Ofwat



Northumbrian Water's services

Northumbrian Water

Re-cap on pre-task

Performance commitments



**Providing reliable water and wastewater services**



**Providing unrivalled customer service**



**Caring for the environment**



**Making sure services are resilient in the long term**



**Helping customers who can not afford to pay their water bills**



**Providing extra support to customers who need it**



**Caring for local communities**

Introduction to the plan: meeting service levels

Northumbrian Water

Re-cap on pre-task

Performance commitments



**Water supply interruptions**



**Leakage**



**Appearance, taste and smell of tap water**



**Sewer flooding to properties – internally**



**Sewer flooding to properties – externally**



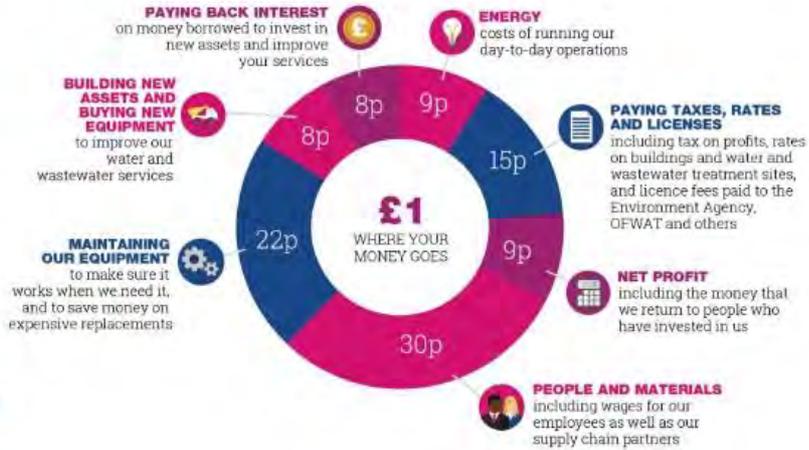
**Pollution of rivers and bathing waters**

What does the Northumbrian Water business plan include?

Investment plan 2023-25    Re-use of pre-task    Investment commitment

Breakdown of costs for water and wastewater services per £1 for Northumbrian Water customers:

- Water 48p
- Wastewater 52p



Please note this diagram is for households, it is slightly more complicated for non-household customers, but it breaks down in a very similar way.

How have bills changed over time?

Investment plan 2023-25    Re-use of pre-task    Investment commitment

Northumbrian Water bills are currently 11% lower than they were three years ago and are the second lowest water and wastewater company.



Pre-task re-cap

Performance issues

Re-cap on pre-task

Performance commitment



**Any points to clarify before we move on?**

Question time

Performance issues

Re-cap on pre-task

Performance commitment



**On a scale of 1 to 10, overall how satisfied are you with the value for money you receive from Northumbrian Water for your water (and wastewater services)?**

**(1=very dissatisfied, 10=very satisfied)**

Go to Breakouts

View breakout page

Re-cap on pre-task

Summarise commitments



## We want to know more about what matters most.

- From what you have seen so far, what areas matter most to you? Why?
- Where do you think investment/improvement is most needed? Why?

**MORE ON THE  
PERFORMANCE  
COMMITMENTS**

Unplanned interruptions

Business plan 2023

Performance commitments

Living Water Index

**Description of service area**

If a water supply is interrupted without warning for more than three hours, it would not be possible to get water from the taps or flush the toilet; it may be necessary to buy bottled water and businesses who use water in their operations would be impacted.

**Examples of how the target will be met**

- Technology and efficiency improvements
- Localised teams to respond to incidents
- Temporary water storage to supply small numbers of properties

Unplanned interruptions - comparative performance

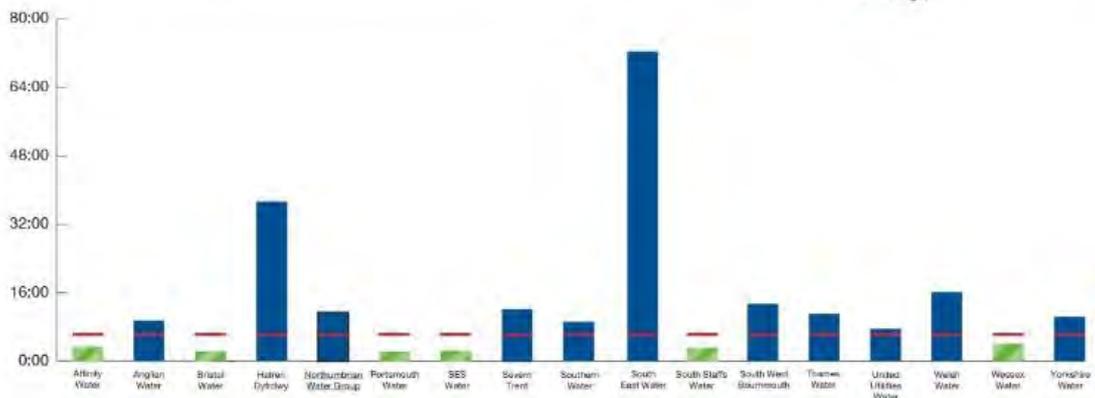
Business plan 2023

Performance commitments

Living Water Index

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.)

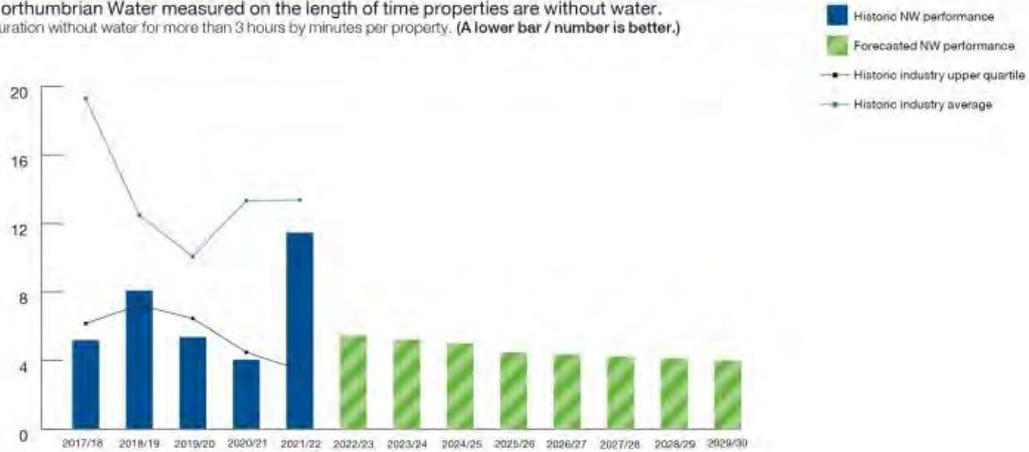
■ Performing at or better than target  
 ■ Performing below target  
 — Target



Unplanned interruptions - historic and forecasted performance

Historic performance Performance commitments Living water goals

Northumbrian Water 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.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Historic performance Performance commitments Living water goals



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared? Too far, just right, not enough?

The appearance, taste and smell of tap water

Financial objectives

Performance commitments

Long term culture

**Description of service area**

Sometimes tap water may look discoloured or taste/smell different to usual.

Improving service in this area customers will be less likely to experience these issues.

**Examples of how the target will be met**

- Replacing and repairing equipment where needed so that water quality is not impacted

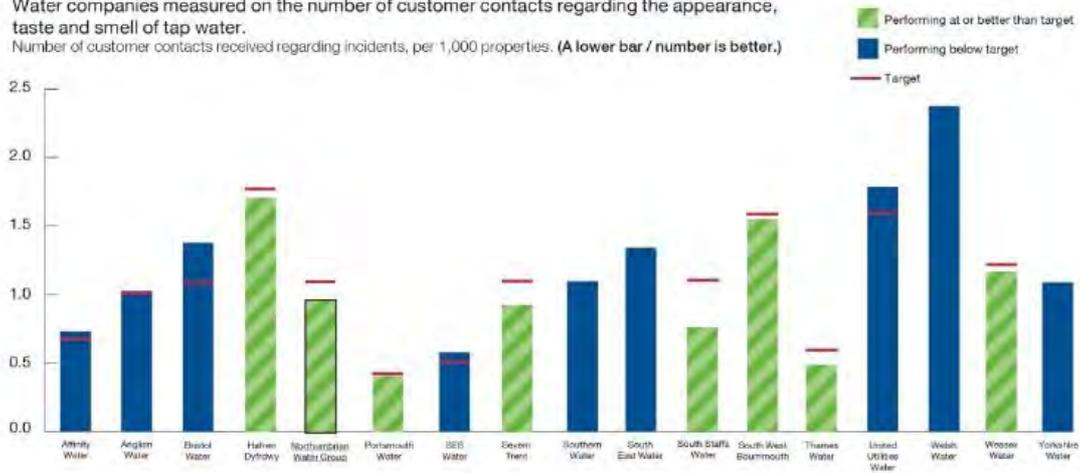
The appearance, taste and smell of tap water - comparative performance

Financial objectives

Performance commitments

Long term culture

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 properties. (A lower bar / number is better.)

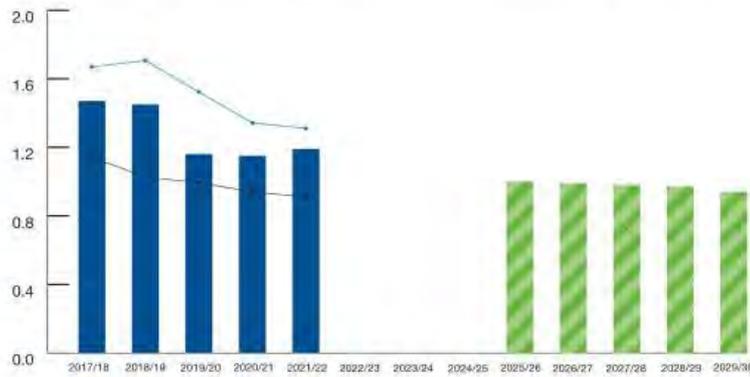


**The appearance, taste and smell of tap water - historic and forecasted performance**

Industry & targets Performance commitments Customer contact issues

Northumbrian Water 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 properties. (A lower bar / number is better.)

- Historic NW performance
- Forecasted NW performance
- Historic industry upper quartile
- Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis  
 Uses new DWI definition from April 2022.

**Question time**

Industry & targets Performance commitments Customer contact issues



**On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?**

(1=not at all important, 5=very important)

**How do you feel about Northumbrian Water's level of ambition they have shared? Too far, just right, not enough?**

Sewage flooding of properties - inside properties

1 | Introduction

2 | Performance commitments

3 | Sewage flooding

**Description of service area**

Sewage flooding can be unpleasant, disruptive and a potential health risk.

By improving service in this area fewer customers will experience these incidents.

**Examples of how the target will be met**

- Campaigns to educate customers to avoid flushing wipes down the toilet through the 'Bin the wipe' campaign
- Using CCTV to monitor pipes and identify potential issues before they happen

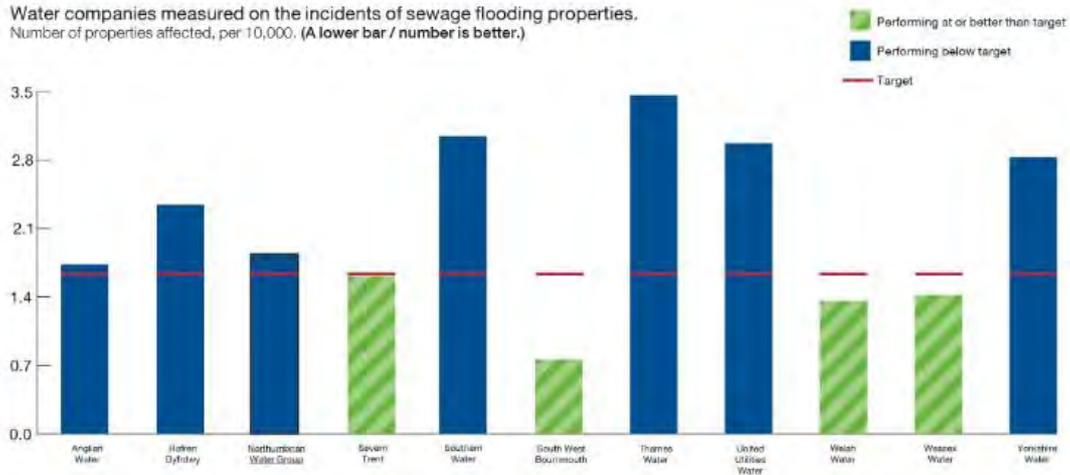
Sewage flooding of properties - inside properties - comparative performance

1 | Introduction

2 | Performance commitments

3 | Sewage flooding

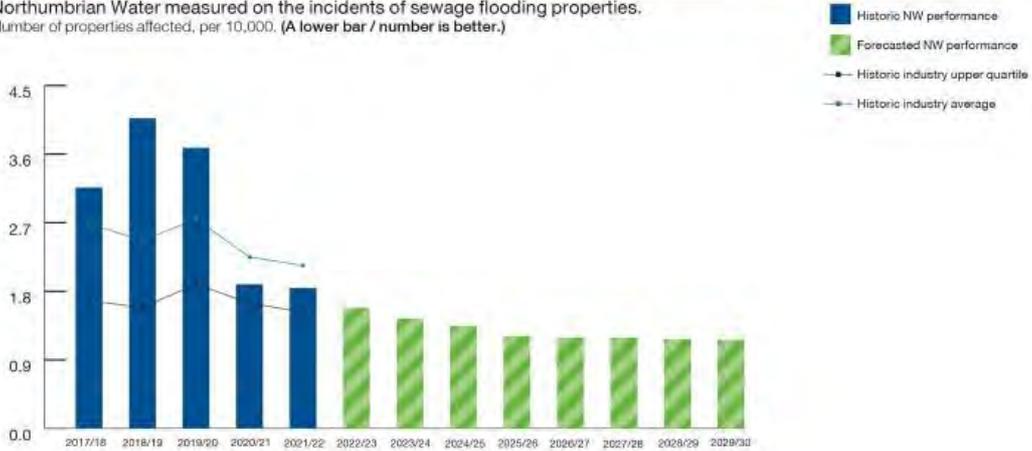
Water companies measured on the incidents of sewage flooding properties. Number of properties affected, per 10,000. (A lower bar / number is better.)



**Sewage flooding of properties - inside properties - historic and forecasted performance**

Performance metrics Performance commitments Environmental targets

Northumbrian Water measured on the incidents of sewage flooding properties. Number of properties affected, per 10,000. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
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**Question time**

Performance metrics Performance commitments Environmental targets



**On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?**

(1=not at all important, 5=very important)

**How do you feel about Northumbrian Water's level of ambition they have shared? Too far, just right, not enough?**

Sewer flooding of properties - outside properties

Report structure

Performance commitments

Living Water Standard

**Description of service area**

External sewage flooding is inconvenient and unpleasant and can restrict access.

By improving service in this area less customers will experience these incidents.

**Examples of how the target will be met**

- An innovation project using AI to recognise potential risks in CCTV footage of the network

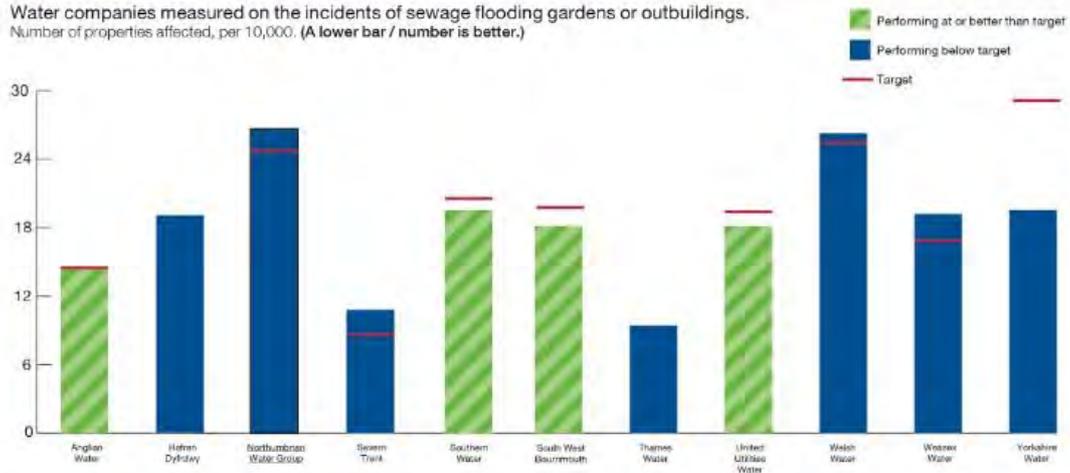
Sewage flooding of properties - outside properties - comparative performance

Report structure

Performance commitments

Living Water Standard

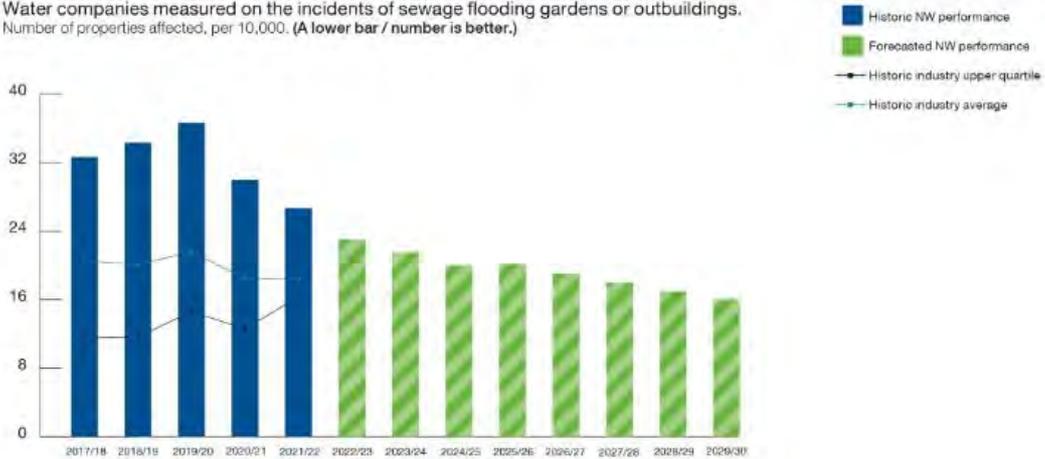
Water companies measured on the incidents of sewage flooding gardens or outbuildings. Number of properties affected, per 10,000. (A lower bar / number is better.)



**Sewage flooding of properties - outside properties - historic and forecasted performance**

Financial performance Performance commitments Environmental impact

Water companies measured on the incidents of sewage flooding gardens or outbuildings. Number of properties affected, per 10,000. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

**Question time**

Financial performance Performance commitments Environmental impact



**On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?**

(1=not at all important, 5=very important)

**How do you feel about Northumbrian Water’s level of ambition they have shared? Too far, just right, not enough?**

Reducing leaks

Reducing leaks

Performance commitments

Long term plans

**Description of service area**

Fixing leaks can help to make sure there is more water available for people to use, without needing to take more water from the environment.

Reducing leakage further has an increasing cost to people on their bills, and a cost to the environment through more carbon emissions.

**Examples of how the target will be met**

- Utilising the network of pressure monitors and to maintain all existing assets to the correct settings
- Recruiting additional 'find and fix' resource to minimise repair times
- Investing in studies to review water balance components to better understand the relationship between customer consumption and leakage, enabling better targeted interventions

Reducing leaks - comparative performance

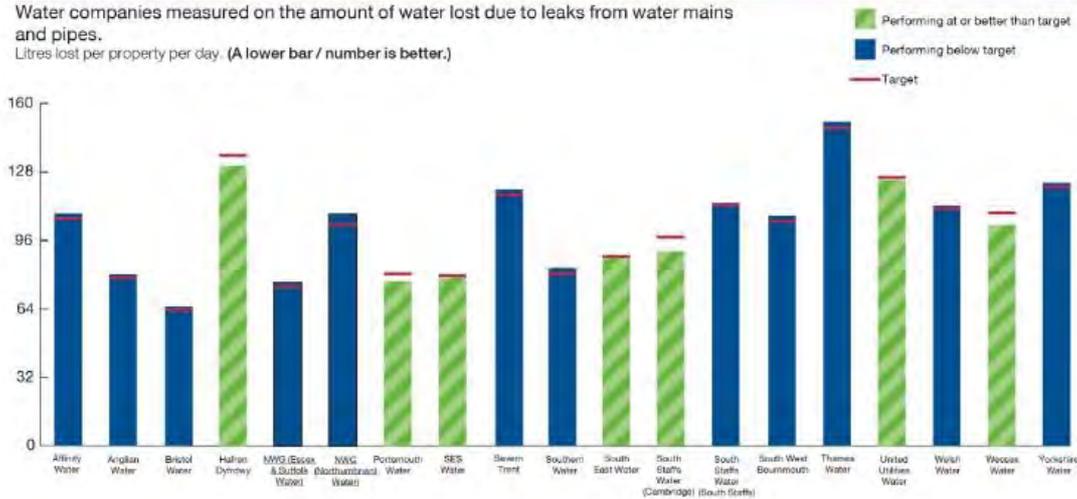
Reducing leaks

Performance commitments

Long term plans

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

Litres lost per property per day. (A lower bar / number is better.)

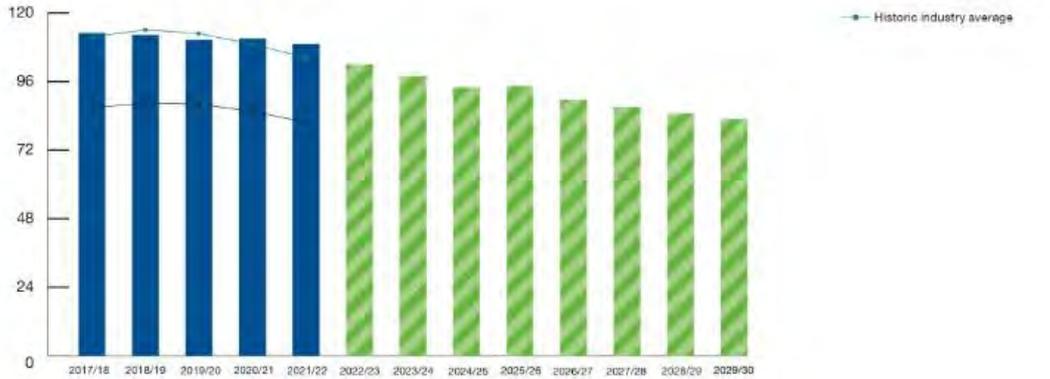


Reducing leaks - historic and forecasted performance

PR19 (2022-2025) Performance commitments 2026-2030

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

Litres lost per property per day. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Performance commitments 2026-2030



On a scale of 1 to 5 how important is it to you that Northumbrian Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Northumbrian Water's level of ambition they have shared? Too far, just right, not enough?

Pollution of rivers and bathing waters

ESSEX & SUFFOLK

Performance commitments

LONG TERM GOALS

<p><b>Description of service area</b></p> <p>Discharges from sewage treatment or networks can affect rivers and bathing waters.</p> <p>Improving service in this area will reduce the number of pollution incidents that happen.</p>	<p><b>Examples of how the target will be met</b></p> <ul style="list-style-type: none"> <li>Increasing power and flooding resilience at wastewater treatment works</li> </ul>
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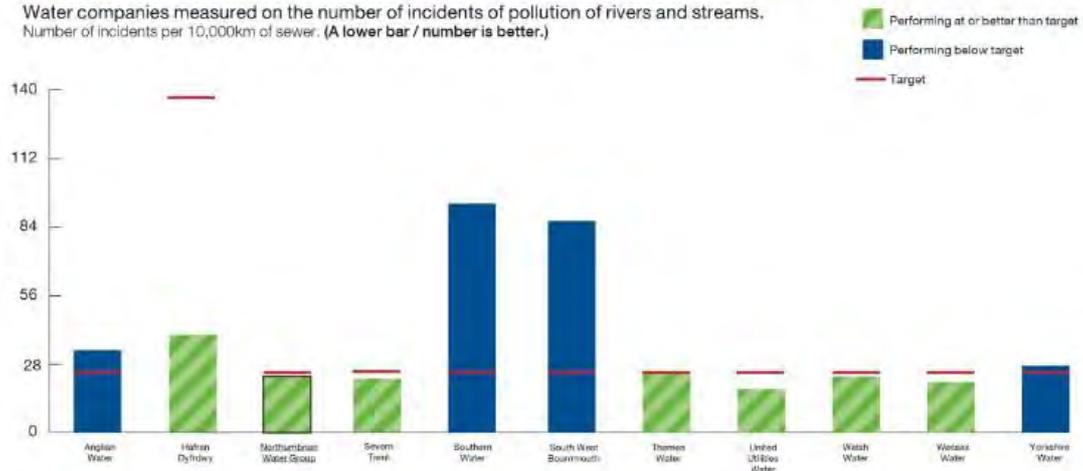
Pollution incidents - comparative performance

ESSEX & SUFFOLK

Performance commitments

LONG TERM GOALS

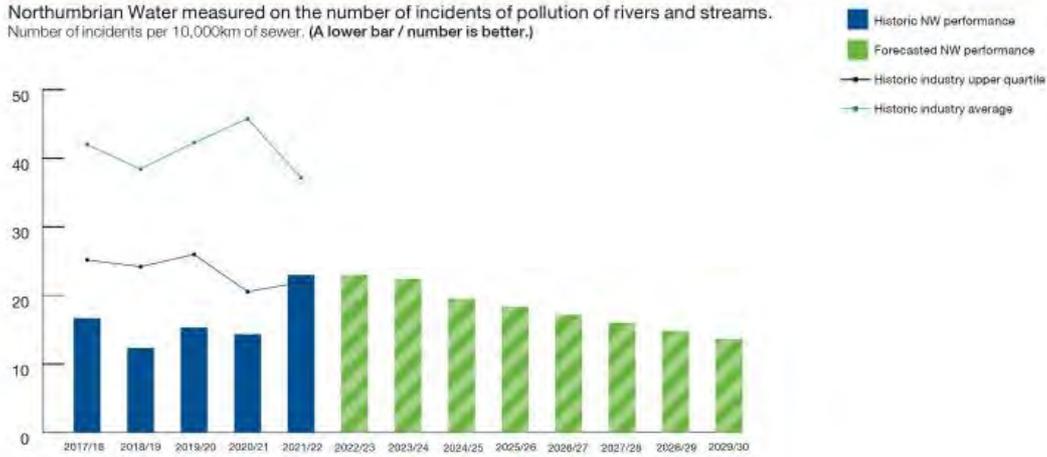
Water companies measured on the number of incidents of pollution of rivers and streams.  
 Number of incidents per 10,000km of sewer. (A lower bar / number is better.)



**Pollution incidents - historic and forecasted performance**

Environmental objectives Performance commitments Compliance 2024+

Northumbrian Water 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.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
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**Question time**

Environmental objectives Performance commitments Compliance 2024+



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**How do you feel about Northumbrian Water's level of ambition they have shared? Too far, just right, not enough?**

# THE LONG TERM PICTURE

The long term picture

Water services compliance

Long term picture

Risk impact



Context

Regulatory commitments

Long term picture

Key Impact

2025-30  
business  
plan

2030-35  
business  
plan

2035-40  
business  
plan

2040-45  
business  
plan

2045-50  
business  
plan

Northumbrian Water's Long Term Delivery Strategy (LTDS)

Impact of climate change? →

Impact of population growth? →

Impact of innovation and new technology? →

Long Term Delivery Strategy aims

Regulatory commitments

Long term picture

Key Impact

-  Reduce water consumption and leakage to make sure we always have enough water
-  Eliminate the use of storm overflows
-  Have leading levels of river water quality
-  Reduce internal and external sewer flooding
-  Achieve net zero in carbon emissions by 2050
-  Ensure all customers have a resilient water supply that stands up to droughts
-  Maintain a reliable sewage network

The long term picture

Regulatory commitments

Long term picture

Bill impact



# Any points to clarify before we move on?

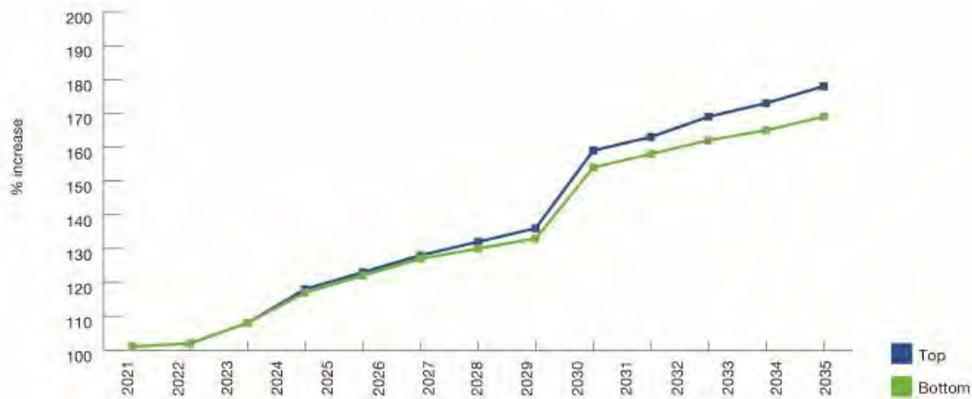
Bill impact

Long term picture

Bill impact

Summary

Potential range of the average customer bill



Bill impact - why?

Investment

Bill impact

Summary

There are a number of drivers behind this projected bill increase over the next 25 years.

These are:

- Storm overflow discharge reductions
- Addressing current and future environmental challenges
- Improving the health of assets so that they are more resilient
- Securing sustainable water supplies - in particular if tighter abstraction limits are set by the environment agency
- Net Zero



Phasing the investment

Investment

Bill impact

Summary

Northumbrian Water could phase this investment.

Just like you might if you were thinking about saving up for a long term investment like a new roof for your premises.

You could wait until the last minute and save up a lot of money quickly in the last couple of years.

You could start now and put a little bit away each year up until when the improvements are needed.

You could save a lot in the first couple of years, then you don't have to worry about it anymore.

Intergenerational fairness

Long term picture

Bill impact

Summary

- If most investment is done now, future generations will see all the benefit but will not have paid for it.
- If as little as possible investment is made now, future generations will have to pay the cost.



Bill impact

Long term picture

Bill impact

Summary



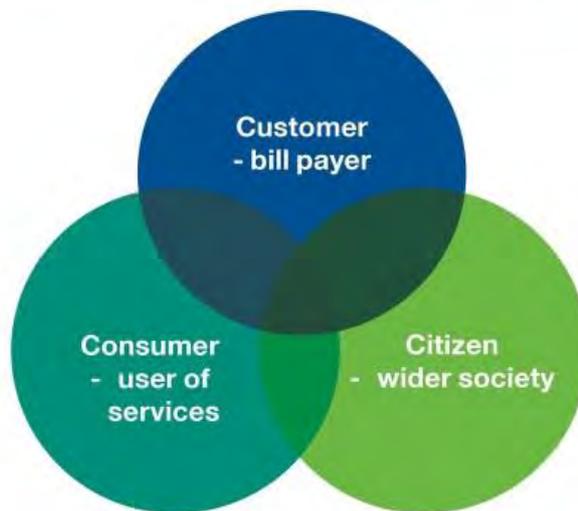
**Any points to  
clarify before  
we move on?**

Long Term Delivery Strategy aims



-  Reduce water consumption and leakage to make sure we always have enough water
-  Eliminate the use of storm overflows
-  Have leading levels of river water quality
-  Reduce internal and external sewer flooding
-  Achieve net zero in carbon emissions by 2050
-  Ensure all customers have a resilient water supply that stands up to droughts
-  Maintain a reliable sewage network

Three perspectives



### What have we learned about so far?

Who Northumbrian Water is and the services Northumbrian Water provides

An overview of the business plan process – what this research is all about!

How Northumbrian Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Northumbrian Water need to think about for the long term

Different ways that Northumbrian Water can phase investment – considering:

- Environment
- Intergenerational fairness
- Cost of living

### What is coming up?

A focus on Northumbrian Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan



**WELCOME TO  
SESSION 2**

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Your thoughts around affordability and acceptability of each plan

# FOCUS ON THE PROPOSED PLAN FOR 2025-30

A reminder

Summary

Proposed plan

Go back to intro

**Our business plan summary 2025-2030**

Northumbrian Water's proposed Business Plan includes investment to meet all legal obligations set by regulators, improve service in areas that matter most to customers, and address future risks that could cause interruption to your water and wastewater supply.

Improvements in the areas that matter most to customers

Using technology and innovation to drive efficiency and meeting pressure. All water and wastewater services will deliver the same levels across the region.

	Current service level (2023-24 performance)	Current Northumbrian Water performance compared to other companies*	Proposed investment service level	Proposed Northumbrian Water performance compared to other companies**
Water supply reliability (no. of hours of supply for every 10,000 customers)	11 hours of supply for every 10,000 customers	Mid table	4 minutes per customer	Mid table
Water quality (no. of hours of supply for every 10,000 customers)	11 hours of supply for every 10,000 customers	Mid table	4 minutes per customer	Mid table
Water supply reliability (no. of hours of supply for every 10,000 customers)	11 hours of supply for every 10,000 customers	Mid table	4 minutes per customer	Mid table
Water supply reliability (no. of hours of supply for every 10,000 customers)	11 hours of supply for every 10,000 customers	Mid table	4 minutes per customer	Mid table
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**Bill impact of Northumbrian Water only investment on average package bill (2025-2030)**

**23.6%**

**Bill impact of Northumbrian Water's proposed plan (including efficiency)**

**29.9%**

The bill includes the bill for the investment, which we will discuss in more detail in our session. The costs are all included in the 2025-2030 bill proposed, as well as other related and additional investments.

Item	What does this investment include?	Adjusted cost for customer
Marketing, water efficiency, smart meters	Marketing, water efficiency, smart meters	-4.2%
Water quality	Water quality	0.1%
Investment in property	Investment in property	1.7%
Water supply reliability	Water supply reliability	0.1%
Water supply reliability	Water supply reliability	1.0%
Water supply reliability	Water supply reliability	0.4%

Average bill impacts

Proposed plan

The costs we have shared with you so far are a **ball park guide** as to how the average customer bill would be impacted by each package

They do not take into account:

- The rewards or penalties Northumbrian Water might receive based on whether they miss or achieve their targets
- Inflation
- The additional cost you pay to your retailer for the management of your account

These increases wouldn't happen overnight on the 1st of April 2025, they would be introduced gradually from 2025 to 2030

At the end of the session you will see a personalised bill prediction.



Inflation



Water bills change each year in line with inflation.

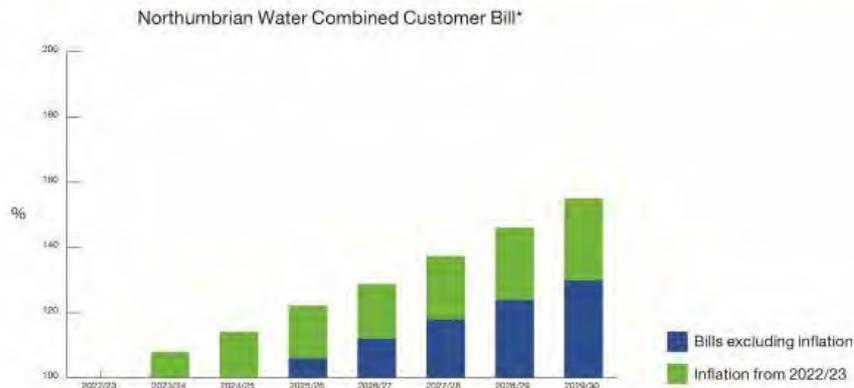
Inflation is the increase in prices paid for goods and services over time. Business incomes also change over time.

- If your business income keeps up with inflation (i.e., increases at the same rate), then you are likely to notice little difference in what you are paying for things.
- If inflation increases by a faster rate than your business income, then you are likely to have less money to go around.
- If your business income increases by a faster rate than inflation, then you are likely to have more money to go around.

The Bank of England aims to keep inflation at 2%, but it has recently been much higher than this.

**The proposed bills you are now about to see include the Bank of England forecasts for inflation from 2025 to 2030, and proposed amounts to cover the investment in water and sewerage services needed over the next few years.**

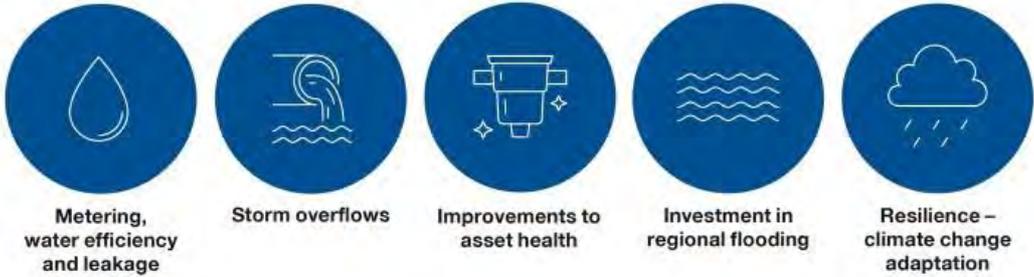
Focus on bill impact



\*Data shown is based on the Bank of England's forecasted levels of inflation.

Additional investments - a summary

Summary Proposed plan Most of plan



Metering, water efficiency and leakage

Summary Proposed plan Most of plan

<p><b>Description</b></p> <p>Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.</p>	<p><b>Benefits to customers</b></p> <p>Northumbrian Water will help to improve understanding around the value of water and therefore drive positive behaviour change among customers to use water wisely.</p>
<p><b>Why it is not already being delivered</b></p> <p>It is currently being delivered but targets are increasing sharply.</p>	<p><b>Bill impact</b></p> <p>4.3% by 2030 excluding inflation</p>

Metering, water efficiency and leakage

Scenario

Proposed plan

16.00 to 18.00

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing, push all work back	Do what is needed to stay on track for the 2050 target	Do more now and get ahead of the target
<b>Cost in 2025-30</b>	£0.00	4.3% on bills by 2030 (this is what is in our plan)	?% (depends how much extra)
<b>Impact on service delivery</b>	<p>There would be an increased risk of:</p> <ul style="list-style-type: none"> <li>• Needing new water supplies like reservoirs</li> <li>• Being forced to take too much water from rivers to supply customers.</li> </ul> <p>This option would not comply with the government requirements to reduce water demand and tackle leakage.</p>	<p>This includes giving people a choice about having a smart meter, and providing advice and support on water efficiency (for example, Northumbrian Water offers free repairs for leaking toilets).</p> <p>Northumbrian Water has chosen this option because it does not think there is a good reason to ask customers to pay to go further.</p>	<p>Northumbrian Water could go further – either by accelerating our leakage programme or installing more meters to get ahead of our targets.</p>

Go to Breakouts

Scenario

Proposed plan

14.00 to 15.00

**We want to know what you think.**



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Storm overflows

Summary

Proposed plan

Must do plan

**Description**

Storm overflows are designed to act as relief valves when the sewerage system is at risk of being overwhelmed, for example during heavy downpours when a lot of rainwater runs into drains and the sewerage system in a short space of time. This investment involves implementing new solutions to reduce the number of times storm overflows operate.

**Benefits to customers**

To protect homes and businesses from flooding and to protect the environment.

**Why it is not already being delivered**

It is a new statutory obligation and is now a government requirement.

**Bill impact**

9.2% by 2030 excluding inflation

Storm overflows

Summary

Proposed plan

Must do plan

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Included in must do plan.	Included in proposed plan.	Going further
<b>Cost in 2025-30</b>	5.8% on bills by 2030 13.2% on bills by 2035	9.2% on bills by 2030 14.1% on bills by 2035	14.1% on bills by 2030
<b>Impact on service delivery</b>	Tackles 160 out of 310 storm overflows – excludes more difficult storm overflows, which means fewer improvements at bathing waters.  Mostly engineering solutions like concrete tanks.	Tackles 160 out of 310 storm overflows – including more difficult storm overflows, and half the bathing waters.  Converts 50 projects to green solutions like ponds to store the excess water.	Tackles 310 storm overflows – i.e. everything Northumbrian Water must do by 2035, and all bathing waters.  Converts 50 projects to green solutions like ponds to store the excess water.

Go to Breakouts

Summary

Proposed plan

How do I pay?

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Improvements to asset health

Summary

Proposed plan

How do I pay?

### Description

Northumbrian Water has lots of assets that were built in roughly the same time period. Currently 9% are in need of repair or replacement. This investment involves replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.

### Benefits to customers

Lower risk of water supply interruptions, issues with water quality and/or pollution incidents.

### Why it is not already being delivered

It is currently being delivered, however because lots of assets were built at the same time, a lot need replacing at the same time. Ofwat currently base their allowance on past requirements but now that is not enough as there is a lot that need replacing all at the same time.

### Bill impact

1.7% by 2030 excluding inflation

Improvements to asset health

Options 4 Proposed plan High Biller

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030 - 'must do'	High investment in 2025 to 2030 - do more now?
<b>Description</b>	Do nothing over and above usual expenditure	Do what is needed to in order to maintain service levels until 2030	Invest more now to tackle potential future problems
<b>Cost in 2025-30</b>	£0.00	1.7% on bills by 2030 (in must do and proposed plans)	3.2% on bills by 2030
<b>Impact on service delivery</b>	<p>Risk of more pollution incidents and supply interruptions – as there is less resilience at treatment works and treated water reservoirs.</p> <p>Risk of deteriorating water quality.</p> <p>Likely to cost more to do in later years.</p>	<p>Fewer pollution incidents and supply interruptions – with fewer failures and more resilience to unexpected events.</p> <p>Northumbrian Water can afford to tackle more risks to water quality.</p>	<p>Increase Northumbrian Water's replacement rate of water mains and sewers.</p> <p>But this impact is mostly longer term.</p>

Go to Breakouts

Proposed plan High Biller

**We want to know what you think.**



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Investment to tackle regional flooding

Summary

Proposed plan

Must do plan

<b>Description</b>	<b>Benefits to customers</b>
Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.	To protect homes/businesses from flooding across the region.  To attract investment into the region that would otherwise be spent elsewhere.  Other benefits include; improving habitats and improving water quality. It is also an efficient way to tackle properties at risk so communities are protected from other types of flooding too.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
It is, but there are more projects that Northumbrian Water would like to deliver.	0.6% by 2030 excluding inflation

Investment to tackle regional flooding

Summary

Proposed plan

Must do plan

Phasing option	Low investment in 2025 to 2030 – ‘must do’	Medium investment in 2025 to 2030 – ‘preferred plan’
<b>Description</b>	Do nothing	Work with the Northumbrian Integrated Drainage Partnership (including the Environment Agency and local authorities) to tackle flooding issues across our region together.
<b>Cost in 2025-30</b>	0% on bills by 2030	0.6% on bills by 2030
<b>Impact on service delivery</b>	2,400 properties still affected by sewer flooding and none of the other benefits realised.  £2.28 on bills by 2035 still required in 2030-35 to tackle sewer flooding issues).	2,400 properties no longer at risk of sewer flooding  Wider flooding schemes delivered in partnership with local authorities, leading to: lower flood risk, storm overflow reductions, habitat creation and water quality improvements.  £65m from others, including government, invested in the north east.

Go to Breakouts

Summary

Proposed plan

What to think

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Resilience - climate change adaptation

Summary

Proposed plan

What to think

<p><b>Description</b></p> <p>Protecting water and wastewater treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.</p>	<p><b>Benefits to customers</b></p> <p>Lowering the risk of water supply interruptions, issues with water quality and pollution incidents.</p>
<p><b>Why it is not already being delivered</b></p> <p>This is not currently being delivered because it is a new risk that has been identified by modelling/climate change projections.</p>	<p><b>Bill impact</b></p> <p>1.6% by 2030 excluding inflation</p>

Resilience - climate change adaptation

RESILIENCE Proposed plan 10.00 (21.00)

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing	Make investment as per the proposed plan	Go further and tackle more potential risks
<b>Cost in 2025-30</b>	0% now 3.1% on bills by 2035	1.6% on bills by 2030 3.1% by 2035	3.1% on bills by 2030
<b>Impact on service delivery</b>	<p>More supply interruptions, especially in extreme weather events.</p> <p>More pollution incidents, especially in extreme weather events.</p> <p>Potential for new supply interruptions in hot weather where this can affect backup plans to treat water.</p>	<p>Fewer supply interruptions and pollution incidents, as there would be sufficient back-up power and protection from flooding.</p> <p>Treatment works and pumping stations would be protected for the foreseeable future (based on current expectations for climate change).</p> <p>The immediate impacts of hot weather would be addressed, so no new risks to supply interruptions or other service failures.</p>	<p>In addition to the medium investment, Northumbrian Water could invest tackling algae and increasing treatment capability. Northumbrian Water doesn't think this is needed yet, and would not have much immediate impact on service.</p> <p>However, investing now could protect water supplies if the impact of climate change is faster than expected.</p>

Go to Breakouts

RESILIENCE Proposed plan 10.00 (21.00)

**We want to know what you think.**



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Reminder of the proposed plan

Options    Proposed plan    Bill impact

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage	☑	Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	4.0%
Storm overflows	☑	Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In these cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas.  Minimum investment in 2025-30, pushing back as much investment as possible until after 2032 and choosing the cheapest options for tackling storm overflows.	5.8%
Improvements to asset health	☑	Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	1.7%
Investment in regional flooding	☒	Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.	0.6%
Resilience – climate change adaptation	☒	Protecting water and wastewater treatment works from severe weather brought about by climate change to avoid services being interrupted.	1.0%
Storm overflows	☒	This would (aside from storm overflows into bathing water now, rather than delaying those until after 2030. This also includes more green solutions.	3.4%

Bill impact of Northumbrian Water's proposed plan (excluding inflation):  
**29.9%**



Overview of the must do plan

Proposed plan | **Must do plan** | Other

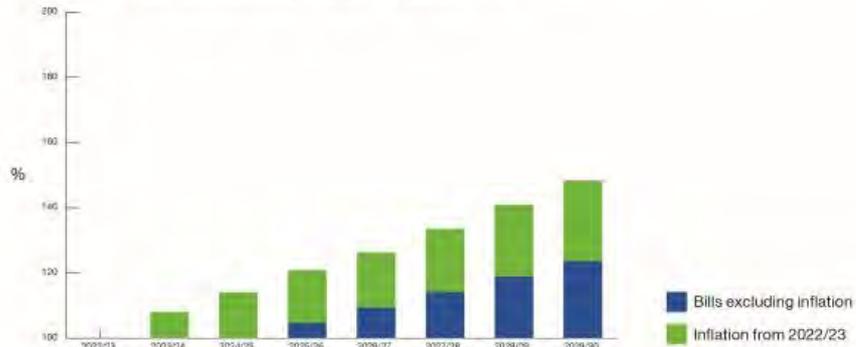
	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage	✓	Making sure there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	4.2%
Storm overflows	✓	Storm overflows act as safety valves in the sewage system. Heavy rainfall can cause the sewage system to reach full capacity. In those cases, heavily diluted wastewater is spilled through storm overflows into rivers and seas.	5.8%
Improvements to asset health	✓	Replacing and refurbishing equipment for pipes and treatment works so it continues to provide a reliable service to customers.	1.7%
Investment in regional flooding	✗	Working with north east Local Authorities, and the Environment Agency to reduce risk of all types of flooding across the region.	0.6%
Resilience – climate change adaptation	✗	Protecting water and wastewater treatment works from severe weather brought about by climate change to avoid services being interrupted.	1.3%
Storm overflows	✗	This would focus more storm overflows into bathing water raw, rather than delaying these until after 2030. This also includes more green solutions.	3.0%

Bill impact if Northumbrian Water only make 'must do' investments (excluding inflation):  
**23.6%**

Focus on bill impact

Proposed plan | **Must do plan** | Other

Northumbrian Water Combined Customer Bill\*

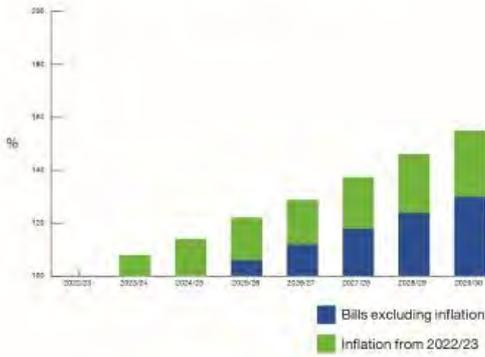


\*Data shown is based on the Bank of England's forecasted levels of inflation.

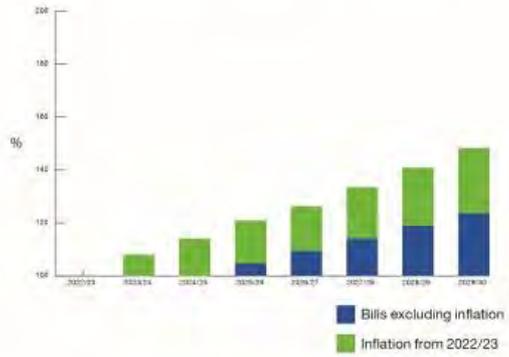
Focus on bill impact

Proposed plan | **Must do plan** | Proposed plan

Northumbrian Water Combined Customer Bill  
 Must do plan



Northumbrian Water Combined Customer Bill  
 Proposed plan



A reminder of the must do plan and the proposed plan

Proposed plan | **Must do plan** | Proposed plan

	In this investment stability?	Additional cost for customers
Making water efficiency and leakage	✓	4.3%
Storm overflow	✓	5.8%
Improvements to asset health	✓	1.7%
Investment in regional flooding	✗	0.6%
Resilience - climate change adaptation	✗	1.9%
Storm overflow	✗	3.4%

Bill impact if Northumbrian Water only make 'must do' investments (excluding inflation):

**23.6%**

	In this investment stability?	Additional cost for customers
Making water efficiency and leakage	✓	4.3%
Storm overflow	✓	5.8%
Improvements to asset health	✓	1.7%
Investment in regional flooding	✗	0.6%
Resilience - climate change adaptation	✗	1.0%
Storm overflow	✗	3.4%

Bill impact of Northumbrian Water's proposed plan (excluding inflation):

**29.9%**



Survey



**Survey:**  
Please complete all the questions in this survey [LINK].



# Appendix 14 - slide deck – ESW – non-household



Today we will...

Welcome

Thank you for joining

### **Tonight:**

- Learn about Essex & Suffolk Water's role and responsibilities and the business plan
- Discuss your experiences and priorities

### **Next week:**

- Look at the proposed plan in more detail
- Discuss your thoughts on the proposed plan



Question time

Welcome

Thank you for joining



On a scale of 1 to 5 how concerned do you feel about the following:

- The impact of climate change on the UK
- The cost of living crisis in the UK
- Financial stability of your business/organisation
- Carbon footprint of your business/organisation

(1=not at all concerned, 5=very concerned)

# REACTIONS TO THE PRE-TASK

Go to Breakouts...

Reactions to pre-task

Final Report #101



## We want to hear more about your reactions to the pre-task.

Before you start, please introduce yourself to your breakout group.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water company in any way? How?

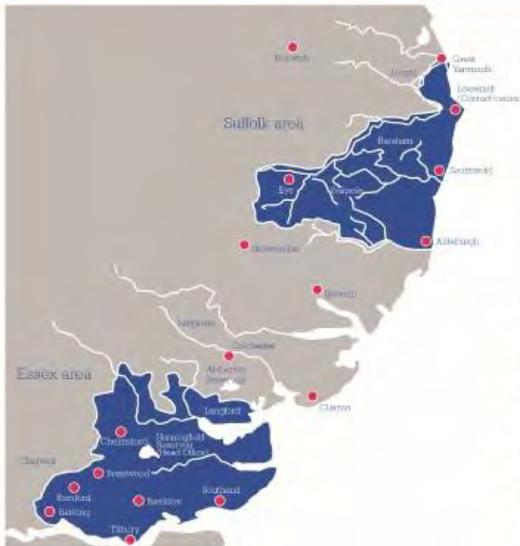
# INTRODUCTION TO ESSEX & SUFFOLK WATER

## Introduction to Essex & Suffolk Water

Introduction to NW Limited

Essex & Suffolk Water

Introduction to NW Limited





# Any points to clarify before we move on?



On a scale of 1 to 10, how confident are you in your understanding of Essex & Suffolk Water's role?

(1=not at all, 10=very confident)

Question time

Northumbrian Water

Essex & Suffolk Water

Northumbrian Water



On a scale of 1 to 10, overall how satisfied are you with the service you receive from Essex & Suffolk Water?

(1=very dissatisfied, 10=very satisfied)

**RE-CAP ON SOME  
INFORMATION  
FROM THE  
PRE-TASK**

Overview of the business plan process

Essex & Suffolk Water

Re-cap on pre-task

Performance commitments

**ofwat**



Essex & Suffolk Water's services

Essex & Suffolk Water

Re-cap on pre-task

Performance commitments



**Providing reliable  
water services**



**Providing unrivalled  
customer service**



**Caring for the  
environment**



**Making sure services  
are resilient in the  
long term**



**Helping customers  
who can not afford to  
pay their water bills**



**Providing extra  
support to customers  
who need it**



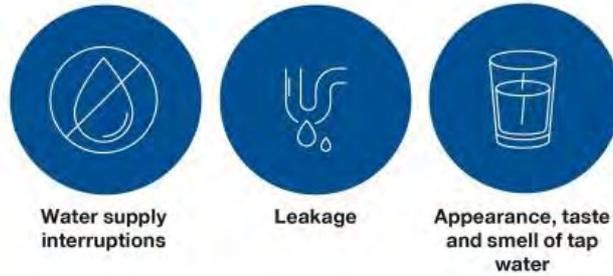
**Caring for local  
communities**

Introduction to the plan: meeting service levels

Essex & Suffolk Water

Re-cap on pre-bid

Financials summary

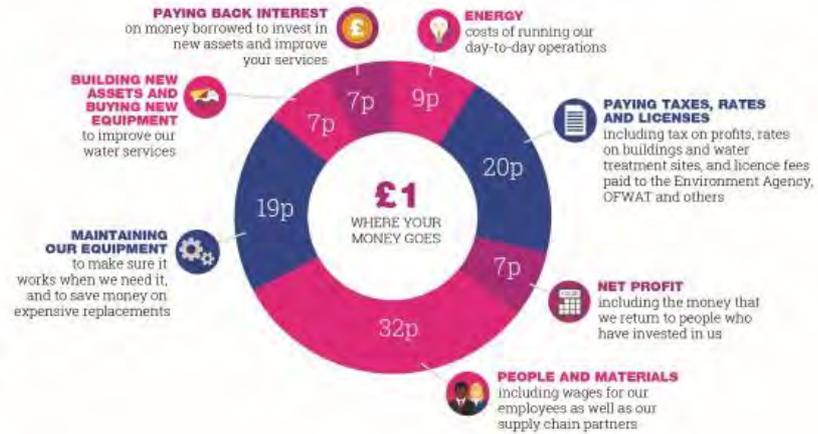


What does the Essex & Suffolk Water business plan include?

Essex & Suffolk Water

Re-cap on pre-bid

Financials summary



Please note this diagram is for households, it is slightly more complicated for non-household customers, but it breaks down in a very similar way.

How have bills changed over time?

Essex & Suffolk Water

Re-cap on pre-bid

Financial commitments

Essex & Suffolk Water bills are currently 4% lower than they were three years ago.



**-4%**

Wastewater services

Financial commitments

Re-cap on pre-bid

Financial commitments

Remember your wastewater wholesaler is Anglian Water or Thames Water, and their charges for those services are not shown in the amounts shown today.

It is likely that the wastewater wholesaler charges will also increase from 2025 due to other statutory obligations, regulations related to wastewater services or other improvements they propose to make.

Anglian Water have told us that they expect their average 2023 wastewater customer bill to increase by around 10% by 2030.

Thames Water have told us that they expect their average 2023 wastewater customer bill to increase by around 27.5% by 2030.

Pre-task re-cap

Essex & Suffolk Water

Re-cap on pre-task

Performance commitment



**Any points to clarify before we move on?**

Question time

Essex & Suffolk Water

Re-cap on pre-task

Performance commitment



**On a scale of 1 to 10, overall how satisfied are you with the value for money you receive from Essex & Suffolk Water for your water?**

(1=very dissatisfied, 10=very satisfied)

Go to Breakouts

Intro & context/Water

Re-cap on pre-task

Performance commitments



## We want to know more about what matters most.

- From what you have seen so far, what areas matter most to you? Why?
- Where do you think investment/improvement is most needed? Why?

**MORE ON THE  
PERFORMANCE  
COMMITMENTS**

Unplanned interruptions

Report for public

Performance commitments

2023-25 targets

**Description of service area**

If a water supply is interrupted without warning for more than three hours, it would not be possible to get water from the taps or flush the toilet; it may be necessary to buy bottled water and businesses who use water in their operations would be impacted.

**Examples of how the target will be met**

- Technology and efficiency improvements
- Localised teams to respond to incidents
- Temporary water storage to supply small numbers of properties

Unplanned interruptions - comparative performance

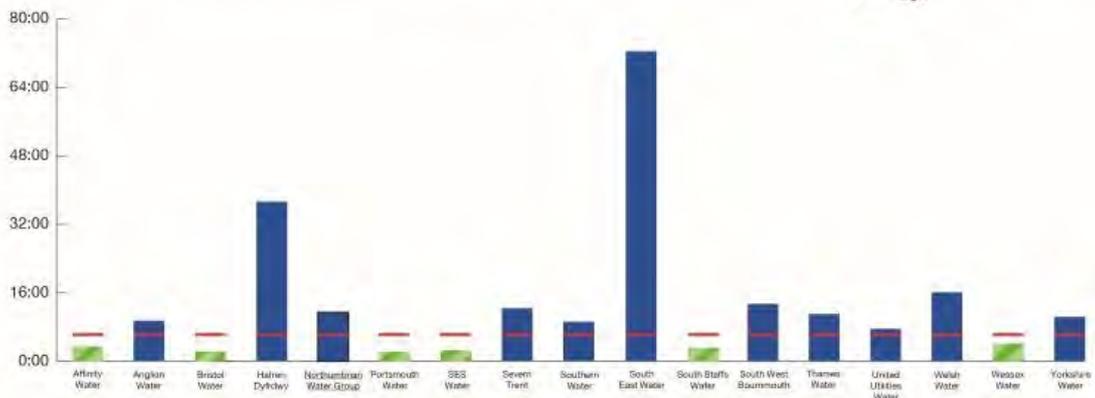
Report for public

Performance commitments

2023-25 targets

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.)

■ Performing at or better than target  
■ Performing below target  
— Target

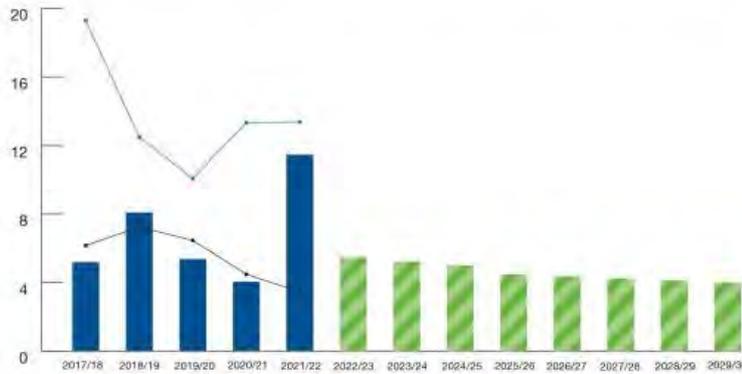


Unplanned interruptions - historic and forecasted performance

Essex & Suffolk Water Performance commitments Living Water Goals

Essex & Suffolk Water 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.)

- Historic ESW performance
- Forecasted ESW performance
- Historic industry upper quartile
- Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Performance commitments Living Water Goals



On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Essex & Suffolk Water's level of ambition they have shared?  
 Too far, just right, not enough?

The appearance, taste and smell of tap water

Service objectives

Performance commitments

Long term plans

**Description of service area**

Sometimes tap water may look discoloured or taste/smell different to usual.

Improving service in this area customers will be less likely to experience these issues.

**Examples of how the target will be met**

- Replacing and repairing equipment where needed so that water quality is not impacted

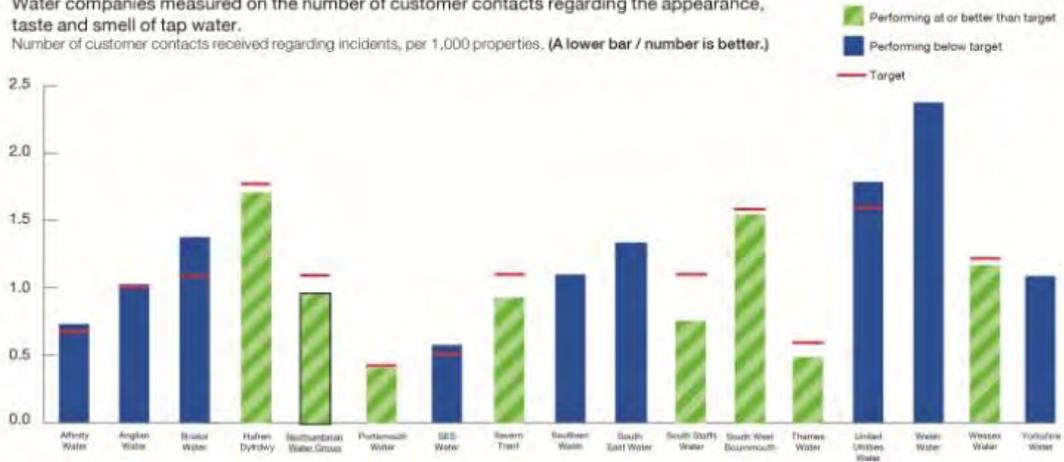
The appearance, taste and smell of tap water - comparative performance

Service objectives

Performance commitments

Long term plans

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 properties. (A lower bar / number is better.)

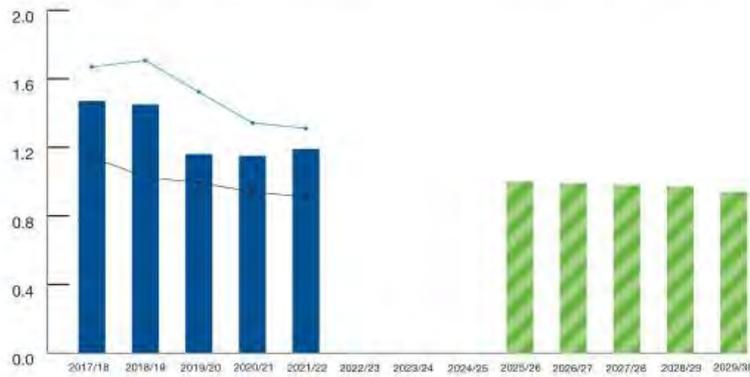


**The appearance, taste and smell of tap water - historic and forecasted performance**

Essex & Suffolk Water Performance commitments

Essex & Suffolk Water 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 properties. (A lower bar / number is better.)

■ Historic ESW performance  
 ■ Forecasted ESW performance  
 — Historic industry upper quartile  
 — Historic industry average



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis  
 Uses new DWI definition from April 2022.

**Question time**

Essex & Suffolk Water Performance commitments



**On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?**

(1=not at all important, 5=very important)

**How do you feel about Essex & Suffolk Water’s level of ambition they have shared?  
 Too far, just right, not enough?**

Reducing leaks

Reducing leaks

Performance commitments

Long term plans

**Description of service area**

Fixing leaks can help to make sure there is more water available for people to use, without needing to take more water from the environment.

Reducing leakage further has an increasing cost to people on their bills, and a cost to the environment through more carbon emissions.

**Examples of how the target will be met**

- Utilising the network of pressure monitors and to maintain all existing assets to the correct settings
- Recruiting additional 'find and fix' resource to minimise repair times
- Investing in studies to review water balance components to better understand the relationship between customer consumption and leakage, enabling better targeted interventions

Reducing leaks - comparative performance

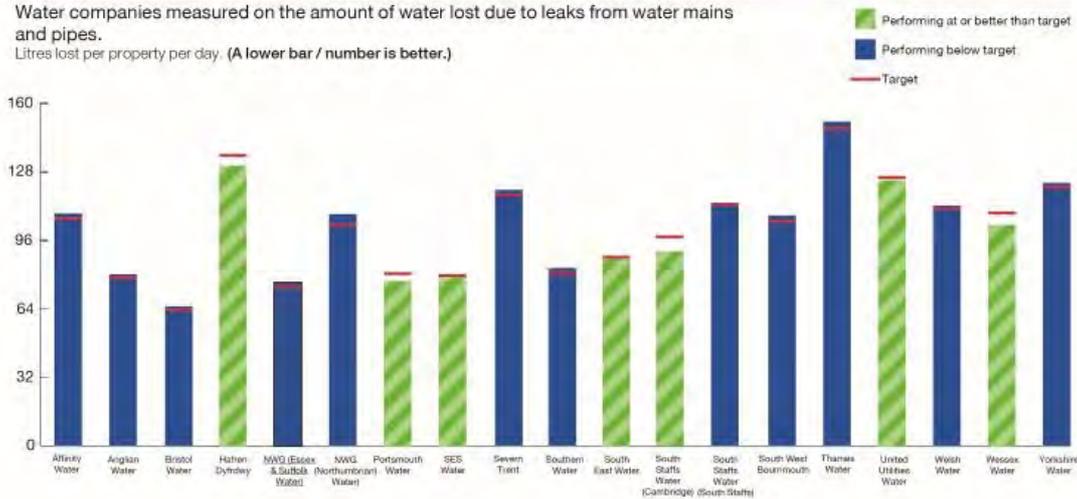
Reducing leaks

Performance commitments

Long term plans

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

Litres lost per property per day. (A lower bar / number is better.)

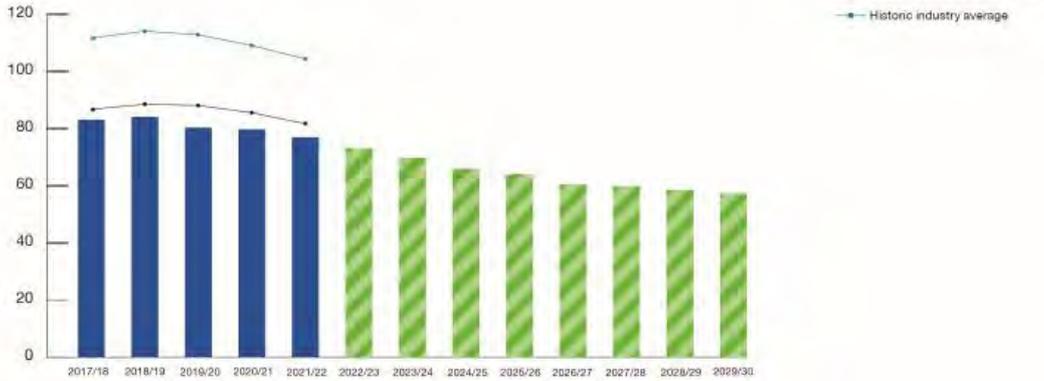


Reducing leaks - historic and forecasted performance

Financial performance Performance commitments Living water

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

Litres lost per property per day. (A lower bar / number is better.)



Historic data: NWL Analysis on Ofwat Industry Data Set April 2023  
 PR19 (2022-2025): Ofwat Final Determination targets for NWL  
 PR24 (2025-2030): NWL Forecast Analysis

Question time

Financial performance Performance commitments Living water



On a scale of 1 to 5 how important is it to you that Essex & Suffolk Water strives to be industry leading in this area?

(1=not at all important, 5=very important)

How do you feel about Essex & Suffolk Water's level of ambition they have shared?  
 Too far, just right, not enough?

# THE LONG TERM PICTURE

The long term picture

High level summary

Long term picture

Risk impact



Context

Regulatory commitments   Long term picture   **Key Impact**



**Essex & Suffolk Water's Long Term Delivery Strategy (LTDS)**



Long Term Delivery Strategy aims

Regulatory commitments   **Long term picture**   Regulatory commitments

-  Reduce water consumption and leakage to make sure we always have enough water
-  Achieve net zero in carbon emissions by 2050
-  Ensure all customers have a resilient water supply that stands up to droughts

The long term picture

Regulatory commitments

Long term picture

Bill impact



# Any points to clarify before we move on?

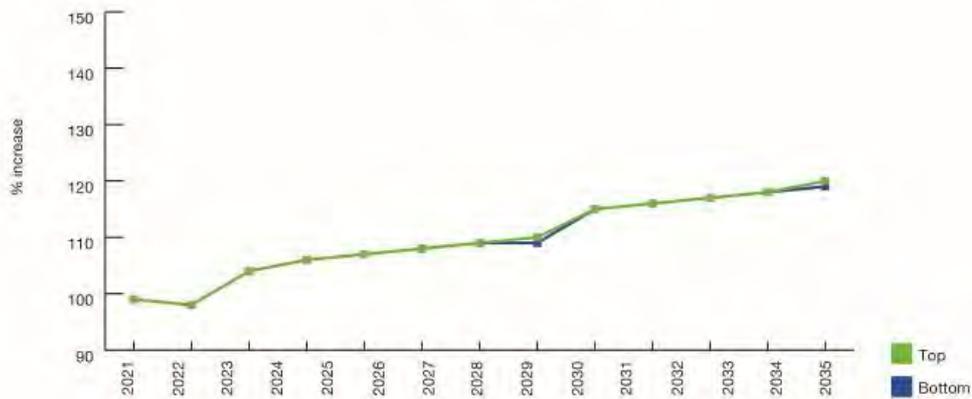
Bill impact

Long term picture

Bill impact

Summary

Potential range of the average customer bill



Bill impact - why?

Long-term impact

Bill impact

Summary

There are a number of drivers behind this projected bill increase over the next 25 years.

These are:

- Addressing current and future environmental challenges
- Improving the health of assets so that they are more resilient
- Securing sustainable water supplies - in particular if tighter abstraction limits are set by the environment agency
- Net Zero



Phasing the investment

Long-term impact

Bill impact

Summary

Essex & Suffolk Water could phase this investment.

Just like you might if you were thinking about saving up for a long term investment like a new roof for your premises.

You could wait until the last minute and save up a lot of money quickly in the last couple of years.

You could start now and put a little bit away each year up until when the improvements are needed.

You could save a lot in the first couple of years, then you don't have to worry about it anymore.

Intergenerational fairness

Long term picture

Bill impact

Summary

- If most investment is done now, future generations will see all the benefit but will not have paid for it.
- If as little as possible investment is made now, future generations will have to pay the cost.



Bill impact

Long term picture

Bill impact

Summary



**Any points to  
clarify before  
we move on?**

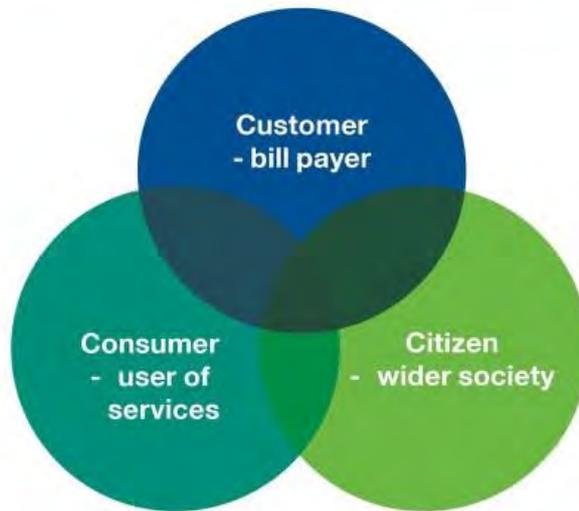
Long Term Delivery Strategy aims

Business proposition Long term picture

-  Reduce water consumption and leakage to make sure we always have enough water
-  Achieve net zero in carbon emissions by 2050
-  Ensure all customers have a resilient water supply that stands up to droughts

Three perspectives

Long term picture Bill impact Summary



### What have we learned about so far?

Who Essex & Suffolk Water is and the services Essex & Suffolk Water provides

An overview of the business plan process – what this research is all about!

How Essex & Suffolk Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Essex & Suffolk Water need to think about for the long term

Different ways that Essex & Suffolk Water can phase investment – considering:

- Environment
- Intergenerational fairness
- Cost of living

### What is coming up?

A focus on Essex & Suffolk Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan



**WELCOME TO  
SESSION 2**

### What have we learned about so far?

Who Essex & Suffolk Water is and the services Essex & Suffolk Water provides

An overview of the business plan process – what this research is all about!

How Essex & Suffolk Water is performing in different areas

How bills have changed and will change

The long term picture – the key areas Essex & Suffolk Water need to think about for the long term

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- Environment
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- Cost of living

### What is coming up?

A focus on Essex & Suffolk Water's planning for 2025 - 2030

Discussion around some of their investments – hearing from you how important they are

Proposed plan vs must do plan – your thoughts

Your thoughts around affordability and acceptability of each plan

# FOCUS ON THE PROPOSED PLAN FOR 2025-30

A reminder

**Our business plan summary 2025-2030**

Essex & Suffolk Water's proposed business plan will allow investment to meet all statutory obligations, drive up service in areas that matter most to customers and address future risks that could cause interruption to your water supply.

Key concerns (if) the areas that matter most to customers

By using technology and innovation to drive efficiency, Essex & Suffolk Water will reduce the service levels of any issues which it the need to increase bills.

	Current service level (2021/22 performance)	Current Essex & Suffolk Water performance compared to other suppliers	Proposed improved service level	Proposed Essex & Suffolk Water performance compared to other suppliers
Water supply interruptions, notified repairs, leakage for 3 days	11 minutes 46 seconds per customer	Mid-range	9 minutes per customer	Top 25% of suppliers
Leaking pipes	21.6 litres per property per day	Top 20% of companies	11.4 litres per property per day	Top 25% of companies
Not able to fix a leak or avoid it by water	1.76 incidents per 1,000 customers	Top 10% of companies	0.46 incidents per 1,000 customers	Top 5% of companies

**Additional information:**

The proposed plan will include a number of additional investments to meet statutory obligations, meet customer needs and address future risks.

Please remember to tell us what you think. We'll be happy to hear from you. If you have any questions, please contact us on 0300 300 0000. Essex & Suffolk Water do not have a charge for our advice. We're here to help you get the most out of your water supply.

Summary Proposed plan 19.42 (16.00)

The plan is based on the current average customer bill of £16.00 (16.00) for the treatment element.

Our report (1) Essex & Suffolk Water will make 'good' use of investment spending: **21.2%**

With regard to Essex & Suffolk Water's proposed plan (including investment): **23.5%**

The table below shows the list of investments which will reduce or increase bills in our service. This table includes the £152.71 (168) proposed bills on a number of other services and additional investments.

	Is the investment statutory?	What does the investment involve?	Additional cost for customers
Electric meter efficiency and leakage	Yes	Using smart meters to monitor water usage in the home to help to reduce and reduce water leakage from the water network.	7.5%
Security water supply	Yes	Investment in new water supply to meet new targets to reduce the amount of water that is lost from the network and reduce environmental impact.	5.1%
Investment in new assets	Yes	Replacing and maintaining equipment that does not meet current standards to provide a 2.2% additional service to customers.	2.2%
Resilience - climate change adaptation	No	Working to reduce the amount of water that is lost from the network and reduce environmental impact.	1.6%

**Statutory obligations:**

Essex & Suffolk Water will make a number of investments to meet statutory obligations, meet customer needs and address future risks.

It is likely that the investment in new assets will increase bills to a level to other statutory obligations, but this will be offset by other investments that we propose to make.

As part of our plan (1) we have set out our average 2025 customer forecast (including all bills) to be around £16.00.

Essex & Suffolk Water will make a number of investments to meet statutory obligations, meet customer needs and address future risks. This will increase bills to around £19.42 by 2030.

Average bill impacts



The costs we have shared with you so far are a **ball park guide** as to how the average customer bill would be impacted by each package

They do not take into account:

- The rewards or penalties Essex & Suffolk Water might receive based on whether they miss or achieve their targets
- Inflation

These increases wouldn't happen overnight on the 1st of April 2025, they would be introduced gradually from 2025 to 2030

At the end of the session you will see a personalised bill prediction.

Inflation



Water bills change each year in line with inflation.

Inflation is the increase in prices paid for goods and services over time. Business incomes also change over time.

- If your business income keeps up with inflation (i.e., increases at the same rate), then you are likely to notice little difference in what you are paying for things.
- If inflation increases by a faster rate than your business income, then you are likely to have less money to go around.
- If your business income increases by a faster rate than inflation, then you are likely to have more money to go around.

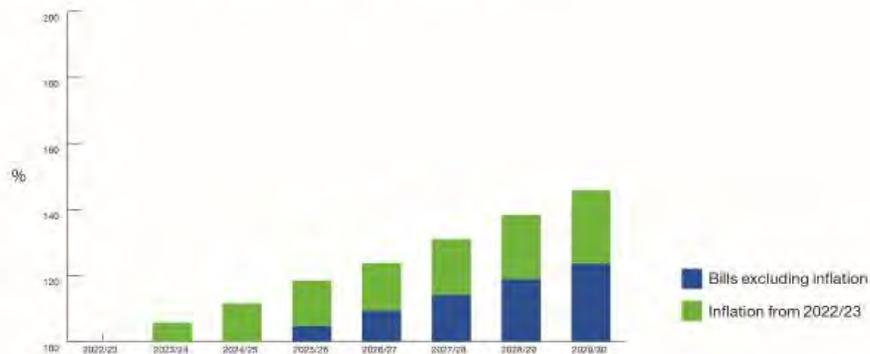
The Bank of England aims to keep inflation at 2%, but it has recently been much higher than this.

**The proposed bills you are now about to see include the Bank of England forecasts for inflation from 2025 to 2030, and proposed amounts to cover the investment in water and sewerage services needed over the next few years.**

Focus on bill impact



Essex & Suffolk Water Customer Bill\*



\*Data shown is based on the Bank of England's forecasted levels of inflation.

Additional investments - a summary

Summary

Proposed plan

Investment



**Metering,  
 water efficiency  
 and leakage**



**Improvements to  
 asset health**



**Water supply  
 options**



**Resilience –  
 climate change  
 adaptation**

Metering, water efficiency and leakage

Summary

Proposed plan

Investment

**Description**

Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.

**Benefits to customers**

Essex & Suffolk Water will help to improve understanding around the value of water and therefore drive positive behaviour change among customers to use water wisely.

**Why it is not already being delivered**

It is currently being delivered but targets are increasing sharply.

**Bill impact**

7.9% by 2030 excluding inflation

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
Description	Do nothing	Must do	Do more now and get ahead of the target
Cost in 2025-30	0%	7.9% on bills by 2030 (this is what is in our plan)	?% (depends how much extra)
Impact on service delivery	<p>There would be an increased risk of:</p> <ul style="list-style-type: none"> <li>• Needing new water supplies like reservoirs</li> <li>• Being forced to take too much water from rivers to supply customers.</li> </ul> <p>This option would not comply with the government requirements to reduce water demand and tackle leakage.</p>	<p>This includes compulsory smart meters, providing advice and support on water efficiency (for example, Essex &amp; Suffolk Water offers free repairs for leaking toilets) and reducing leakage.</p> <p>This also includes innovation to reduce water demand from businesses and agriculture.</p>	<p>Essex &amp; Suffolk Water could go further – doing more with schools to educate future customers on using water wisely, advocate for water neutral new housing developments and water reuse for businesses.</p>

Go to Breakouts



## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

<b>Description</b>	<b>Benefits to customers</b>
Essex & Suffolk Water has lots of assets that were built in roughly the same time period. Currently 9% are in need of repair or replacement. This investment involves replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	Lower risk of water supply interruptions and issues with water quality.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
It is currently being delivered, however because lots of assets were built at the same time, a lot need replacing at the same time. Ofwat currently base their allowance on past requirements but now that is not enough as there is a lot that need replacing all at the same time.	2.2% by 2030 excluding inflation

Improvements to asset health

Business

Proposed plan

Back Office

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030 - 'must do'	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing over and above usual expenditure	Do what is needed to in order to maintain service levels until 2030	Invest more now to tackle potential future problems
<b>Cost in 2025-30</b>	0%	2.2% on bills by 2030 (in must do and proposed plans)	3.7% on bills by 2030
<b>Impact on service delivery</b>	<p>Risk of more supply interruptions – as there is less resilience at treatment works and treated water reservoirs.</p> <p>Risk of deteriorating water quality.</p> <p>Likely to cost more to do in later years.</p>	<p>Fewer supply interruptions – with fewer failures and more resilience to unexpected events.</p> <p>Essex &amp; Suffolk Water can afford to tackle more risks to water quality.</p>	<p>Increase Essex &amp; Suffolk Water's replacement rate of water mains.</p> <p>But this impact is mostly longer term.</p>

Go to Breakouts

Summary

Proposed plan

What do you think?

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Water supply options

Summary

Proposed plan

What do you think?

### Description

Essex & Suffolk Water plans over the long term to make sure there is sufficient water to meet demand. Their modelling has shown investment in new water supplies is needed. This includes schemes to recycle wastewater and build new storage reservoirs.

### Benefits to customers

There is sufficient water in the future and less risk of restrictions like hose pipe bans.

### Why it is not already being delivered

Due to environmental protection, there have been changes about how much water can be taken from rivers, therefore new water supplies are now needed.

### Bill impact

9.1% by 2030 excluding inflation

Water supply options

Summary

Proposed plan

Must do now

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing and push everything back	Must do	Do more now and get ahead of the target
<b>Cost in 2025-30</b>	0% now	9.1% on bills by 2030	?% (depends how much extra)
<b>Impact on service delivery</b>	<p>There would be an increased risk of interruption to supply by 2032, damage caused by taking too much water from rivers and increased leakage.</p> <p>This would not be acceptable to the Environment Agency, and Essex &amp; Suffolk Water would breach the law by doing this.</p>	<p>Reduced risk of interruption to supply to meet water demand for 2032 and beyond while continuing to protect the environment.</p>	<p>Essex &amp; Suffolk Water are currently designing a new reservoir to reduce the risk of interruption to supply. This work could start earlier than planned to help to protect the environment.</p> <p>Essex &amp; Suffolk Water will need to make decisions in 2023 about future needs of customers. Delaying investment could make this more difficult.</p>

Go to Breakouts

Summary

Proposed plan

Must do now

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Resilience - climate change adaptation

Summary

Proposed plan

£1.45/10.000

<b>Description</b>	<b>Benefits to customers</b>
Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	Lowering the risk of water supply interruptions and issues with water quality.
<b>Why it is not already being delivered</b>	<b>Bill impact</b>
This is not currently being delivered because it is a new risk that has been identified by modelling/climate change projections.	1.9% by 2030 excluding inflation

Resilience - climate change adaptation

Summary

Proposed plan

£1.45/10.000

Phasing option	Low investment in 2025 to 2030	Medium investment in 2025 to 2030	High investment in 2025 to 2030 – do more now?
<b>Description</b>	Do nothing	Make investment as per the proposed plan	Go further and tackle more potential risks
<b>Cost in 2025-30</b>	0% now	1.9% on bills by 2030	3.7% on bills by 2030
<b>Impact on service delivery</b>	<p>More supply interruptions, especially in extreme weather events.</p> <p>Potential for new supply interruptions in hot weather where this can affect backup plans to treat water.</p>	<p>Fewer supply interruptions, as there would be sufficient back-up power.</p> <p>Treatment works and pumping stations would be protected for the foreseeable future (based on current expectations for climate change).</p> <p>The immediate impacts of hot weather would be addressed, so no new risks to supply interruptions or other service failures.</p>	<p>In addition to the medium investment, Essex &amp; Suffolk Water could invest tackling algae and increasing treatment capability. Essex &amp; Suffolk Water doesn't think this is needed yet, and would not have much immediate impact on service.</p> <p>However, investing now could protect water supplies if the impact of climate change is faster than expected.</p>

Go to Breakouts

Contents

Proposed plan

What do I do?

## We want to know what you think.



- How important is this investment to you? Why? Is it acceptable? Why?
- Do the targets go far enough? Too far? Just right?
- Looking at the different phasing options, what is your preference? Why?
- Does your opinion change when you think of yourself as a customer, consumer or citizen?
- How do you feel about the cost of this investment?

Reminder of the proposed plan

Contents

Proposed plan

What do I do?

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage	✓	Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	7.9%
Securing water supplies	✓	Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	9.1%
Improvements to asset health	✓	Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	2.2%
Resilience – climate change adaptation	✗	Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	1.9%

Bill impact of Essex & Suffolk Water's proposed plan (excluding inflation)

**23.5%**



Overview of the must do plan

Proposed plan    **Must do plan**    Total cost

	Is this investment statutory?	What does this investment involve?	Additional cost for customers
Metering, water efficiency and leakage		Ensuring there is enough water available in the future by helping homes and businesses to use less and reducing leakage from the water network.	7.9%
Securing water supplies		Investment in new water supplies to meet new targets to reduce the amount of water that is taken from rivers and reduce environmental impact.	9.1%
Improvements to asset health		Replacing and refurbishing equipment like pipes and treatment works so it continues to provide a reliable service to customers.	2.2%
Resilience – climate change adaptation		Protecting water treatment works from severe weather and other risks brought about by climate change to avoid services being interrupted.	1.9%

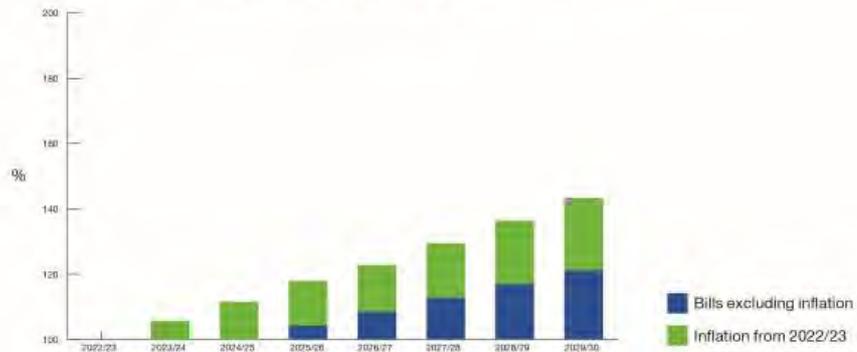
Estimates if Essex & Suffolk Water only make 'must do' investments (excluding resilience)

**21.2%**

Focus on bill impact



Essex & Suffolk Water Customer Bill\*

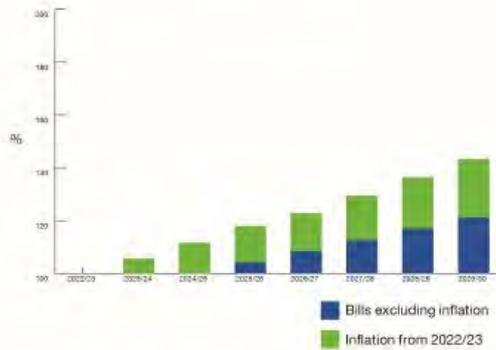


\*Data shown is based on the Bank of England's forecasted levels of inflation.

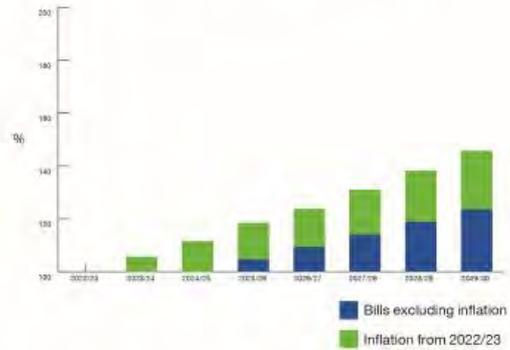
Focus on bill impact



Essex & Suffolk Water Customer Bill  
 Must do plan



Essex & Suffolk Water Customer Bill  
 Proposed plan



A reminder of the must do plan and the proposed plan

Proposed plan | **Must do plan** | Must do plan

**Must do plan**

	Is this investment statutory?	Additional cost for customers
Metering, water efficiency and leakage	✓	7.9%
Securing water supplies	✓	9.1%
Improvements to asset health	✓	2.2%
Resilience – climate change adaptation	✗	1.9%

Bill impact if Essex & Suffolk Water only make 'must do' investments (excluding inflation):

**21.2%**

**Proposed plan**

	Is this investment statutory?	Additional cost for customers
Metering, water efficiency and leakage	✓	7.9%
Securing water supplies	✓	9.1%
Improvements to asset health	✓	2.2%
Resilience – climate change adaptation	✗	1.9%

Bill impact of Essex & Suffolk Water's proposed plan (excluding inflation):

**23.5%**



Survey

Final, by plan

Wrap up



**Survey:**

Please complete all the questions in this survey [LINK].

**THANK YOU**

# Appendix 15 – NW - vulnerable in- depth discussion guide

## Introduction [5 minutes]

- Thank you for agreeing to take part in an interview. My name is X and I work for a company called Explain, we're an independent research agency and have been commissioned to help Northumbrian Water with this research.
- We want to talk to you so we can understand your thoughts and opinions about what matters to you as a household customer of Northumbrian Water and what you think of the business plan that Northumbrian Water is currently working on for 2025 – 2030.
- There are no right or wrong answers in this, I'm just hoping to understand your thoughts and opinions.
  - o MRS Guidelines - Right to refusal / anonymity
  - o Okay to record?

## Response to pre task (5 mins)

**INTERVIEWER NOTE – CHECK TO ENSURE RESPONDENT HAS COMPLETED PRE-TASK – THIS IS A NECESSITY FOR THIS INTERVIEW. PLEASE SHARE COPY WITH INTERVIEWEE DURING SESSION AS A REMINDER/TO DRAW ON THROUGHOUT IF NEEDED.**

Before the interview today you will have received a pre-task survey which included lots of information about Northumbrian Water, the business plan process and the proposed plan for 2025-2030. I just want to start by checking in on how you found this.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?

- Has any of the information you have seen changed your opinion of your water/sewerage service company in any way? How?
- Do you have any questions about anything you saw/read in the pre task? (**INTERVIEWER NOTE – IF YOU DO NOT KNOW THE RESPONSE, WE CAN COLLECT THEIR EMAIL ADDRESS/NUMBER AND GET BACK TO THEM**)

## Recap of intro to Northumbrian Water + awareness/experience (5 mins)

*Before we get into any more discussion, I'm just going to read out a reminder of who Northumbrian Water is and what services Northumbrian Water provides.*

*Northumbrian Water Limited provides water and sewerage services to 2.7 million people in the North East of England, trading as Northumbrian Water. It provides those services to 1.1 million homes and 67,000 businesses.*

*They also operate in the South East as "Essex & Suffolk Water", where they provide water only services.*

*They are responsible for getting clean, clear drinking water that tastes good to your tap. To do this, they take water from rivers, reservoirs and underground into water treatment works where the water is treated to make it safe for drinking.*

*They also take away wastewater through their sewer network, treat it to make it safe and clean enough to release into the environment and then feed the cleaned water back into rivers and the sea.*

*The sludge remaining after the wastewater treatment process is recycled as fertiliser or used to generate energy.*

*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.*

*The specific areas we'd like to talk to you about today are in relation to the services that Northumbrian Water provides to vulnerable customers – for example those who need water for health reasons or those who are financially vulnerable.*

- Are you satisfied with the service you receive from Northumbrian Water? Why / why not?
- Do you feel you receive value for money from Northumbrian Water?
- From what you read in the pre-task, what areas in terms of water and wastewater services, matter to you? Why?
- From what you read in the pre-task, in what areas do you feel improvement/investment is needed most? Why?

### Service needs/experiences (5 mins)

- Before we get into some discussion around some of the specific services provided by Northumbrian Water and just so that we can understand your current situation, how do you feel about your household finances currently?
- How do you feel about your household finances thinking about the future?
- What impact has the cost of living had on you and your household? How do you feel about this?
- Please can you describe your experience with Northumbrian Water? Have you ever experienced any of their priority services? For example, this might be: additional financial support, bills in another language, their password scheme which protects customers from scammers, water delivered to you in an interruption etc., If so, what experience/s have you had?
- What are your expectations when it comes to Northumbrian Water? (*interviewer probe for whether they expect Northumbrian Water to do anything specifically to do with vulnerable/priority services*)

### Services aimed at people with health/financial vulnerabilities (20 mins)

*In the pre – task you read about a number of extra support services that Northumbrian Water provides, for example the Priority Services Register which helps to provide customers with extra support when*

*they need it. This could be due to age, disability, mobility, illness, mental health, communication needs, life changes (such as pregnancy) or if you have children under the age of five.*

*The pre – task also outlined Northumbrian Water’s proposals for extra support in their 2025 – 2030 business plan which is what we’d like to talk to you about today.*

#### *Tackling water poverty.*

*The first one was around tackling water poverty which is where a household spends more than 3% of their household income on their water bill.*

*Northumbrian Water has set an ambitious goal to eliminate water poverty in their regions by 2030. They will expand the financial support available to customers to achieve this.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Northumbrian Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Northumbrian Water should tackle water poverty? Are there any changes you’d make to this proposal?

#### *Introducing new tariffs.*

*Northumbrian Water is also designing new tariffs to help with affordability. For example:*

- *Reducing standing charges for some customers to help single person households who use less water to reduce their bills.*
- *A smart meter tariff which rewards customers who use their smart meter to monitor their water use and make changes to reduce it.*
- *Capping bills for large households who have less control over how much water they use.*
- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Northumbrian Water should prioritise tackling this area now, or further in the future? Why?

- How do you think Northumbrian Water should tackle helping with affordability of bills? Are there any changes you'd make to this proposal?

**Expand partnerships to help reach out to all customers.**

*Northumbrian Water currently works with Citizen's Advice, StepChange, Age UK and a range of other charities that help by signposting customers to the extra support services or help with things like debt advice.*

*Northumbrian Water will continue to work with these partners and find new opportunities too. For example, working with warm space hubs and housing associations.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Northumbrian Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Northumbrian Water should support customer to get the extra support they need? Are there any changes you'd make to this proposal?

**Building awareness of extra support.**

*Northumbrian Water will continue to raise awareness of their extra support services, such as those you read about in the pre task. They will do this through a number of ways, for example through targeted campaigns to those they know need help most.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Northumbrian Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Northumbrian Water should raise awareness of extra support? Are there any changes you'd make to this proposal?

**Being easy to access via channels of customers' choice.**

*This includes improving digital channels for those who prefer to communicate with them online. For example through text messaging and notifications in their app.*

*At the same time increasing opportunities for customers to have face to face conversations with Northumbrian Water when that is preferred.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Northumbrian Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Northumbrian Water should improve accessibility? Are there any changes you'd make to this proposal?

## Proposed business plan (10 mins)

At the end of the pre – task we sent you, we outlined Northumbrian Water's overall proposed business plan for 2025-2030.

- What did you think of this plan overall?
- Are there any areas of the plan that you feel are a particular priority to you?
  - o What?
  - o Why?
  - o Do the targets Northumbrian Water have outlined in this area go far enough, too far or just right?
  - o What did you think of this plan in terms of affordability? Is it affordable?
  - o What did you think of this plan in terms of acceptability? Is it acceptable?
- Thinking about the plan overall:
  - o What did you think of this plan in terms of affordability? Is it affordable? Why?
  - o What did you think of this plan in terms of acceptability? Is it acceptable? Why?

## Wrap up and post task (10 mins)

Thanks for taking part in that discussion with me. I'm now going to give you your post-task to complete, please do so now to receive your full incentive. I can help you with this where needed.

- A member of the team will be in touch with your incentive, please can I take your details now?

Thanks very much for taking part in our research today, we appreciate it.

# Appendix 16 – ESW - vulnerable in-depth discussion guide

## Introduction [5 minutes]

- Thank you for agreeing to take part in an interview. My name is X and I work for a company called Explain, we're an independent research agency and have been commissioned to help Essex & Suffolk Water with this research.
- We want to talk to you so we can understand your thoughts and opinions about what matters to you as a household customer of Essex & Suffolk Water and what you think of the business plan that Essex & Suffolk Water is currently working on for 2025 – 2030.
- There are no right or wrong answers in this, I'm just hoping to understand your thoughts and opinions.
  - o MRS Guidelines - Right to refusal / anonymity
  - o Okay to record?

## Response to pre task (5 mins)

**INTERVIEWER NOTE – CHECK TO ENSURE RESPONDENT HAS COMPLETED PRE-TASK – THIS IS A NECESSITY FOR THIS INTERVIEW. PLEASE SHARE COPY WITH INTERVIEWEE DURING SESSION AS A REMINDER/TO DRAW ON THROUGHOUT IF NEEDED.**

Before the interview today you will have received a pre-task survey which included lots of information about Essex & Suffolk Water, the business plan process and the proposed plan for 2025-2030. I just want to start by checking in on how you found this.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?

- Has any of the information you have seen changed your opinion of your water company in any way? How?
- Do you have any questions about anything you saw/read in the pre task? (**INTERVIEWER NOTE – IF YOU DO NOT KNOW THE RESPONSE, WE CAN COLLECT THEIR EMAIL ADDRESS/NUMBER AND GET BACK TO THEM**)

## Recap of intro to Essex & Suffolk Water + awareness/experience (5 mins)

*Before we get into any more discussion, I'm just going to read out a reminder of who Essex & Suffolk Water is and what services Essex & Suffolk Water provides.*

*Northumbrian Water Limited provides water only services in the South East of England, trading as Essex & Suffolk Water. It provides water to 1.8 million people across 400,000 homes and 43,000 businesses.*

*It also provides water and wastewater services in in the North East of England, trading as Northumbrian Water.*

*Water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at a water treatment works before it is delivered through a network of pipes to homes and businesses.*

*Wastewater is then collected from properties via the sewerage network and treated at wastewater treatment works to make it safe and clean enough to release back into rivers and the sea. This wastewater service is provided for you by either Thames Water or Anglian Water.*

*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.*

*The specific areas we'd like to talk to you about today are in relation to the services that Essex & Suffolk Water provides to vulnerable customers – for example those who need water for health reasons or those who are financially vulnerable.*

- Are you satisfied with the service you receive from Essex & Suffolk Water? Why / why not?
- Do you feel you receive value for money from Essex & Suffolk Water?
- From what you read in the pre-task, what areas in terms of water and wastewater services, matter to you? Why?
- From what you read in the pre-task, in what areas do you feel improvement/investment is needed most? Why?

### Service needs/experiences (5 mins)

- Before we get into some discussion around some of the specific services provided by Essex & Suffolk Water and just so that we can understand your current situation, how do you feel about your household finances currently?
- How do you feel about your household finances thinking about the future?
- What impact has the cost of living had on you and your household? How do you feel about this?
- Please can you describe your experience with Essex & Suffolk Water? Have you ever experienced any of their priority services? For example, this might be: additional financial support, bills in another language, their password scheme which protects customers from scammers, water delivered to you in an interruption etc., If so, what experience/s have you had?
- What are your expectations when it comes to Essex & Suffolk Water? (*interviewer probe for whether they expect Essex & Suffolk Water to do anything specifically to do with vulnerable/priority services*)

### Services aimed at people with health/financial vulnerabilities (20 mins)

*In the pre – task you read about a number of extra support services that Essex & Suffolk Water provides, for example the Priority Services Register which helps to provide customers with extra support when they need it. This could be due to age, disability, mobility, illness, mental health, communication needs, life changes (such as pregnancy) or if you have children under the age of five.*

*The pre – task also outlined Essex & Suffolk Water’s proposals for extra support in their 2025 – 2030 business plan which is what we’d like to talk to you about today.*

#### *Tackling water poverty.*

*The first one was around tackling water poverty which is where a household spends more than 3% of their household income on their water bill.*

*Essex & Suffolk Water has set an ambitious goal to eliminate water poverty in their regions by 2030. They will expand the financial support available to customers to achieve this.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Essex & Suffolk Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Essex & Suffolk Water should tackle water poverty? Are there any changes you’d make to this proposal?

#### *Introducing new tariffs.*

*Essex & Suffolk Water is also designing new tariffs to help with affordability. For example:*

- *Reducing standing charges for some customers to help single person households who use less water to reduce their bills.*
- *A smart meter tariff which rewards customers who use their smart meter to monitor their water use and make changes to reduce it.*
- *Capping bills for large households who have less control over how much water they use.*
- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Essex & Suffolk Water should prioritise tackling this area now, or further in the future? Why?

- How do you think Essex & Suffolk Water should tackle helping with affordability of bills? Are there any changes you'd make to this proposal?

**Expand partnerships to help reach out to all customers.**

*Essex & Suffolk Water currently works with Citizen's Advice, StepChange, Age UK and a range of other charities that help by signposting customers to the extra support services or help with things like debt advice.*

*Essex & Suffolk Water will continue to work with these partners and find new opportunities too. For example, working with warm space hubs and housing associations.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Essex & Suffolk Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Essex & Suffolk Water should support customer to get the extra support they need? Are there any changes you'd make to this proposal?

**Building awareness of extra support.**

*Essex & Suffolk Water will continue to raise awareness of their extra support services, such as those you read about in the pre task. They will do this through a number of ways, for example through targeted campaigns to those they know need help most.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Essex & Suffolk Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Essex & Suffolk Water should raise awareness of extra support? Are there any changes you'd make to this proposal?

**Being easy to access via channels of customers' choice.**

*This includes improving digital channels for those who prefer to communicate with them online. For example through text messaging and notifications in their app.*

*At the same time increasing opportunities for customers to have face to face conversations with Essex & Suffolk Water when that is preferred.*

- How important is this to you? Why?
- What do you think of this as a goal? Does it go far enough/just right/too far? Why?
- Do you think Essex & Suffolk Water should prioritise tackling this area now, or further in the future? Why?
- How do you think Essex & Suffolk Water should improve accessibility? Are there any changes you'd make to this proposal?

## Proposed business plan (10 mins)

At the end of the pre – task we sent you, we outlined Essex & Suffolk Water's overall proposed business plan for 2025-2030.

- What did you think of this plan overall?
- Are there any areas of the plan that you feel are a particular priority to you?
  - o What?
  - o Why?
  - o Do the targets Essex & Suffolk Water have outlined in this area go far enough, too far or just right?
  - o What did you think of this plan in terms of affordability? Is it affordable?
  - o What did you think of this plan in terms of acceptability? Is it acceptable?
- Thinking about the plan overall:
  - o What did you think of this plan in terms of affordability? Is it affordable?
  - o What did you think of this plan in terms of acceptability? Is it acceptable?

## Wrap up and post task (10 mins)

Thanks for taking part in that discussion with me. I'm now going to give you your post-task to complete, please do so now to receive your full incentive. I can help you with this where needed.

- A member of the team will be in touch with your incentive, please can I take your details now?

Thanks very much for taking part in our research today, we appreciate it.

# Appendix 17 – NW – non household customer in-depth discussion guide

## Introduction [5 minutes]

- Thank you for agreeing to take part in an interview. My name is X and I work for a company called Explain, we're an independent research agency and have been commissioned to help Northumbrian Water with this research.
- We want to talk to you so we can understand your thoughts and opinions about what matters to you as a business/non-household customer of Northumbrian Water and what you think of the business plan that Northumbrian Water is currently working on for 2025 – 2030. The key thing is that we want to hear your views as a non-household/business customer, so although Northumbrian Water may also be your household water supplier please keep your 'non-household/business hat on' for the interview.
- There are no right or wrong answers in this, I'm just hoping to understand your thoughts and opinions.
  - o MRS Guidelines - Right to refusal / anonymity
  - o Okay to record?

## Response to pre task (5 mins)

**INTERVIEWER NOTE – CHECK BEFORE CALLING TO ENSURE RESPONDENT HAS COMPLETED PRE TASK – THIS IS A NECESSITY FOR THIS INTERVIEW. IF NOT, PLEASE CONTACT TO PROMPT AND/OR REARRANGE.**

Before the interview today you will have received a pre-task survey which included lots of information about Northumbrian Water, the business plan process and the proposed plan for 2025-2030. I just want to start by checking in on how you found this.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?

- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water/sewerage service company in any way? How?
- Do you have any questions about anything you saw/read in the pre task? **(INTERVIEWER NOTE – IF YOU DO NOT KNOW THE RESPONSE, WE CAN COLLECT THEIR EMAIL ADDRESS AND GET BACK TO THEM)**

## Recap of intro to Northumbrian Water + awareness/experience (5 mins)

*Before we get into any more discussion, I'm just going to read out a reminder of who Northumbrian Water is and what services Northumbrian Water provides.*

*Northumbrian Water Limited provides water and sewerage services to 2.7 million people in the North East of England, trading as Northumbrian Water. It provides those services to 1.1 million homes and 67,000 business.*

*They also operate in the South East as "Essex & Suffolk Water", where they provide water only services.*

*They are responsible for getting clean, clear drinking water that tastes good to your tap. To do this, they take water from rivers, reservoirs and underground into water treatment works where the water is treated to make it safe for drinking.*

*They also take away wastewater through their sewer network, treat it to make it safe and clean enough to release into the environment and then feed the cleaned water back into rivers and the sea. The sludge remaining after the wastewater treatment process is recycled as fertiliser or used to generate energy.*

*As a reminder, businesses, charities and public sector organisations in England can shop around for their water retailer. This works like other open utility markets (such as electricity and gas). Retail suppliers buy the physical supply of water and removal of wastewater and then they sell these services to non-household customers.*

*You may not be a retail customer of Northumbrian Water, but you are a wholesale customer.*

- Is there any of this information that you did not know previously? If so, what?
- From what you read in the pre-task, what areas in terms of water and wastewater services, matter to your business most? Why?

- From what you read in the pre-task, in what areas do you feel improvement/investment is needed most? Why?
- Please can you describe your experience with Northumbrian Water, as a business customer?
- What was your last interaction with Northumbrian Water?
- How do you feel about Northumbrian Water as a company? Positive, negative? Why?
- How do you feel about Northumbrian Water in terms of value for money for your wholesale water and wastewater services?

**INTERVIEWER NOTE – CHECK THEIR INDIVIDUAL RESPONSE TO PRE TASK TO GUIDE THE FOLLOWING CONVERSATION.**

## Long term picture (5 mins)

Before we consider the business plan that Northumbrian Water is proposing for 2025-2030, we're going to take a step back and think about the wider, longer term picture.

*When thinking about the future, there are a lot of wider challenges that we face globally and there is a lot of uncertainty around how a number of issues will impact upon us. To plan for these longer term future challenges, Northumbrian Water have been developing a Long Term Delivery Strategy (LTDS).*

*To deliver on this strategy, Northumbrian Water would need to make significant investment, which would require money from customers through increased bills.*

*Northumbrian Water have some choices to make as when they make this investment and impact customer bills. They could do all the investment quickly or could wait and push some things back to 2030 and beyond. This is called phasing.*

*Northumbrian Water's long term delivery strategy aims are:*

-  Reduce water consumption and leakage to make sure we always have enough water
-  Eliminate the use of storm overflows
-  Have leading levels of river water quality
-  Reduce internal and external sewer flooding
-  Achieve net zero in carbon emissions by 2050
-  Ensure all households have a resilient water supply that stands up to droughts
-  Maintain a reliable sewage network

- What do you think of these goals? Do they go far enough? Too far? Just right?
- Which of these do you think Northumbrian Water should prioritise?

## Temperature check – finances in an uncertain economy (5 mins)

We want to understand how you and your organisation feel about the current economy and how your organisation sits in this.

- How positive or negative is your organisation feeling about finances at the moment?
- And in the future?

*Thank you.*

## Shorter term picture – proposed plan (20 mins)

*For the final section of our discussion, we're going to focus on the shorter-term picture. In the pre-task you will have seen a number of graphs which demonstrated Northumbrian Water's performance on a number of areas both over time and in comparison, to other water and wastewater companies.*

*You'll have also seen that in Northumbrian Water's proposed business plan, five investment areas that were mentioned, some areas are 'must' do areas of investment and others are discretionary. We're going to now look at these areas in a bit more detail.*



**Metering,  
water efficiency  
and leakage**



**Storm overflows**



**Improvements to  
asset health**



**Investment in  
regional flooding**



**Resilience –  
climate change  
adaptation**

### Metering, water efficiency and leakage.

*This investment is to do with ensuring there is enough water available in the future by helping homes/businesses to use less and reduce leakage. Northumbrian Water plans to:*

- *Go further on reducing the water lost from their network through leakage*
- *Allow customers to choose to have a smart water meter*
- *Provide a range of free support and advice to household and business customers on water efficiency*

*The government has set targets for water companies to reduce leakage by 50% by 2050. Therefore Northumbrian Water can choose how much of this work they complete between 2025 and 2030. They can either do nothing in 2025-2030 and push all the work back (meaning no bill impact), they can do what is needed to stay on track for the 2050 target (increase of around 4.30% on bills by 2030, this is what is in their plan) or they can do more now and get ahead of the target (impact on cost would depend how much extra they do). By doing nothing there would be an increased risk of needing new water supplies and being forced to take too much water from rivers to supply customers.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Northumbrian Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)

- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Storm overflows.

*Storm overflows act as relief valves when the sewerage system is at risk of being overwhelmed, for example during heavy rainfall when a lot of rain water runs into the sewerage system in a short space of time. Northumbrian Water will invest in new solutions to reduce the reliance on storm overflows going forward for example by:*

- *Diverting excess water to reduce the chance of flooding*
- *Use natural solutions to reduce the amount of water going into sewers.*
- *Use concrete tanks to store excess water.*
- *Surface water separation. This basically involves rebuilding the pipework so that the wastewater and rainwater are in separate pipes*

*The Government has set a target for tackling storm overflows – all must be improved by 2050. By 2035 Northumbrian Water must improve **all** storm overflows which could affect a bathing water, and 75% of those which could affect high priority nature sites. They could do only what is needed (increase of around 5.80% on bills), they could do a bit more to tackle more bathing waters (an increase of a further 3.4% in addition to the 5.80% on bills, this is in their proposed plan) or they could go even further. By doing the minimum needed, Northumbrian Water would need to exclude more difficult storm overflows which means fewer improvements at bathing waters.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Northumbrian Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?

- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Improvements to asset health.

*Northumbrian Water has lots of assets that were built in roughly the same time period. 9% of Northumbrian Water's assets are in need of repair or replacement. The solution here is to replace this ageing and failing assets.*

*Northumbrian Water has some options as to how they could tackle this. They could do nothing over and above usual expenditure between 2025-2030 (no bill increase), they could do what is needed in order to maintain service levels until 2030 (an increase of 1.70% on bills by 2030, this is in their proposed plan) or they could invest more now to tackle potential future problems. By doing nothing, there is a risk of more pollution incidents, more supply interruptions and deteriorating water quality.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Northumbrian Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Regional flooding.

*This involves working with north east local authorities and the Environment Agency to reduce the risk of all types of flooding across the region. Northumbrian Water would like to deliver an additional 60 projects between 2025 and 2030 to jointly tackle flooding and reduce the risk for customers.*

*Northumbrian Water has some options as to how they could tackle this. They could do nothing between 2025-2030 (no bill impact) or they could work with local authorities and the Environment Agency to tackle flooding issues across our region together (an increase of 0.60% on bills by 2030, this is in their proposed plan). By doing nothing, properties and business will still be affected by sewer flooding.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Northumbrian Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Resilience – climate change adaptation.

*This is about protecting water and wastewater treatment works from severe weather and other risks brought about by climate change to avoid interruptions to service. Northumbrian Water plan to protect water and sewage treatment facilities from flooding, to help prevent these being inaccessible or stopping working.*

*Northumbrian Water has some options as to the pace they take to address these. They could do nothing between 2025-2030 (no impact on bills), they could make the investment they would like to (an increase in bills by 1.60% by 2030, this is in their proposed plan), or they could go further and tackle more potential risks. By doing nothing the risks are: more supply interruptions, more pollution incidents and issues with water quality.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?

- What do you think of how this target will be met? Does the approach reflect how you would like Northumbrian Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

## Must do vs proposed plan (10 mins)

In the pre-task you will have seen a summary of Northumbrian Water's proposed business plan for 2025-2030. As mentioned throughout the discussion today, they have options in terms of when they can invest in certain areas. I'm now going to share a summary of the 'must do' plan and the 'proposed' plan.

### **MODERATOR SHARE SCREEN OF MUST DO AND PROPOSED PLAN.**

The 'must do' plan only includes those investments that are statutory.

So what are the key differences?

Storm overflows – in the must do plan, Northumbrian Water will only make the minimum investment in 2025-30, pushing back as much investment as possible until after 2030 and choosing the cheapest options for tackling storm overflows. In the proposed plan, however, Northumbrian Water would tackle more storm overflows into bathing water now, rather than delaying these until after 2030. More green solutions are also included only in the proposed plan.

Additional investment to tackle regional flooding is not included in the must do plan.

Additional investment in resilience to adapt to climate change is not included in the must do plan.

The overall bill impact of the must do plan is an increase of 23.60%.

The overall bill impact of the proposed plan is an increase of 29.90%.

- What do you think of the must do plan in terms of acceptability?
- What do you think of the must do plan in terms of affordability?
- What do you think of the proposed plan in terms of acceptability?
- What do you think of the proposed plan in terms of affordability?

## Wrap up and post task (5 mins)

Finally, we'd like to show you an example of how Northumbrian Water's proposed bill will impact your current bill. Please note this is just a prediction and is a ball park guide – once inflation and actual rewards and penalties are built in, your bill is likely to be a bit different. You will see this again in your post-task. **(INTERVIEWER NOTE – USE GRAPHS TO SHARE THEIR CURRENT BILL AMOUNT AND SHOW ON SCREEN OR TALK THEM THROUGH IT)**

- Now that you have seen this, how do you feel about this in terms of affordability? And acceptability?

Thanks for taking part in that discussion with me. I'm now going to send you your post-task to complete, please do so in the next few days to receive your full incentive.

- A member of the team will be in touch with your incentive, please can I take your details now?

Thanks very much for taking part in our research today, we appreciate it.

# Appendix 18 – ESW – non household customer in-depth discussion guide

## Introduction [5 minutes]

- Thank you for agreeing to take part in an interview. My name is X and I work for a company called Explain, we're an independent research agency and have been commissioned to help Essex & Suffolk Water with this research.
- We want to talk to you so we can understand your thoughts and opinions about what matters to you as a business/non-household customer of Essex & Suffolk Water and what you think of the business plan that Essex & Suffolk Water is currently working on for 2025 – 2030. The key thing is that we want to hear your views as a non-household/business customer, so although Essex & Suffolk Water may also be your household water supplier please keep your 'non-household/business hat on' for the interview.
- There are no right or wrong answers in this, I'm just hoping to understand your thoughts and opinions.
  - o MRS Guidelines - Right to refusal / anonymity
  - o Okay to record?

## Response to pre task (5 mins)

**INTERVIEWER NOTE – CHECK BEFORE CALLING TO ENSURE RESPONDENT HAS COMPLETED PRE TASK – THIS IS A NECESSITY FOR THIS INTERVIEW. IF NOT, PLEASE CONTACT TO PROMPT AND/OR REARRANGE.**

Before the interview today you will have received a pre-task survey which included lots of information about Essex & Suffolk Water, the business plan process and the proposed plan for 2025-2030. I just want to start by checking in on how you found this.

- Is there anything in the material you read which was difficult to understand?
- What surprised you most out of the things you have read?
- What would you most like to find out more about?
- Has any of the information you have seen changed your opinion of your water company in any way? How?
- Do you have any questions about anything you saw/read in the pre task? **(INTERVIEWER NOTE – IF YOU DO NOT KNOW THE RESPONSE, WE CAN COLLECT THEIR EMAIL ADDRESS AND GET BACK TO THEM)**

## Recap of intro to Essex & Suffolk Water + awareness/experience (5 mins)

*Before we get into any more discussion, I'm just going to read out a reminder of who Essex & Suffolk Water is and what services Essex & Suffolk Water provides.*

*Northumbrian Water Limited provides water only services in the South East of England, trading as Essex & Suffolk Water. It provides water to 1.8 million people across 400,000 homes and 43,000 businesses.*

*It also provides water and wastewater services in in the North East of England, trading as Northumbrian Water.*

*Water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources. It is treated at a water treatment works before it is delivered through a network of pipes to homes and businesses.*

*Wastewater is then collected from properties via the sewerage network and treated at wastewater treatment works to make it safe and clean enough to release back into rivers and the sea. This wastewater service is provided for you by either Thames Water or Anglian Water.*

*As a reminder, businesses, charities and public sector organisations in England can shop around for their water retailer. This works like other open utility markets (such as electricity and gas). Retail suppliers buy the physical supply of water and removal of wastewater and then they sell these services to non-household customers.*

*You may not be a retail customer of Essex & Suffolk Water, but you are a wholesale customer.*

- Is there any of this information that you did not know previously? If so, what?
- From what you read in the pre-task, what areas in terms of water services, matter to your business most? Why?
- From what you read in the pre-task, in what areas do you feel improvement/investment is needed most? Why?
- Please can you describe your experience with Essex & Suffolk Water, as a business customer?
- What was your last interaction with Essex & Suffolk Water?
- How do you feel about Essex & Suffolk Water as a company? Positive, negative? Why?
- How do you feel about Essex & Suffolk Water in terms of value for money for your water services?

**INTERVIEWER NOTE – CHECK THEIR INDIVIDUAL RESPONSE TO PRE TASK TO GUIDE THE FOLLOWING CONVERSATION.**

## Long term picture (5 mins)

Before we consider the business plan that Essex & Suffolk Water is proposing for 2025-2030, we're going to take a step back and think about the wider, longer term picture.

- *When thinking about the future, there are a lot of wider challenges that we face globally and there is a lot of uncertainty around how a number of issues will impact upon us. To plan for these longer term future challenges, Essex & Suffolk Water have been developing a Long Term Delivery Strategy (LTDS).*

*To deliver on this strategy, Essex & Suffolk Water would need to make significant investment, which would require money from customers through increased bills.*

*Essex & Suffolk Water have some choices to make as when they make this investment and impact customer bills. They could do all the investment quickly or could wait and push some things back to 2030 and beyond. This is called phasing.*

*Essex & Suffolk Water's long term delivery strategy aims are:*

-  Reduce water consumption and leakage to make sure we always have enough water
-  Achieve net zero in carbon emissions by 2050
-  Ensure all households have a resilient water supply that stands up to droughts

- What do you think of these goals? Do these targets go far enough? Too far? Just right?
- Which of these do you think Essex & Suffolk Water should prioritise?

## Temperature check – finances in an uncertain economy (5 mins)

We want to understand how you and your organisation feel about the current economy and how your organisation sits in this.

- How positive or negative is your organisation feeling about finances at the moment?
- And in the future?

## Shorter term picture – proposed plan (20 mins)

*For the final section of our discussion, we're going to focus on the shorter-term picture. In the pre-task you will have seen a number of graphs which demonstrated Essex & Suffolk Water's performance on a number of areas both over time and in comparison, to other water companies.*

*You'll have also seen that in Essex & Suffolk Water's proposed business plan, four investment areas that were mentioned, some areas are 'must' do areas of investment and others are discretionary. We're going to now look at these areas in a bit more detail.*



**Metering,  
water efficiency  
and leakage**



**Improvements to  
asset health**



**Water supply  
options**



**Resilience –  
climate change  
adaptation**

### Metering, water efficiency and leakage.

*This investment is to do with ensuring there is enough water available in the future by helping homes/businesses to use less and reduce leakage. Northumbrian Water plans to:*

- *Go further on reducing the water lost from their network through leakage*
- *Introduce compulsory smart water meters*
- *Provide a range of free support and advice to household and business customers on water efficiency*

*The government has set targets for water companies to reduce leakage by 50% by 2050. Therefore Northumbrian Water can choose how much of this work they complete between 2025 and 2030. They can either do nothing in 2025-2030 and push all the work back (meaning no bill impact), they can do what is needed to stay on track for the 2050 target (an increase of around 7.90% on bills by 2030, this is what is in their plan) or they can do more now and get ahead of the target (impact on cost would depend how much extra they do). By doing nothing there would be an increased risk of needing new water supplies and being forced to take too much water from rivers to supply customers.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Essex & Suffolk Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)

- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Improvements to asset health.

*Essex & Suffolk Water has lots of assets that were built in roughly the same time period. 9% of Essex & Suffolk Water's assets are in need of repair or replacement. The solution here is to replace this ageing and failing assets.*

*Northumbrian Water has some options as to how they could tackle this. They could do nothing over and above usual expenditure between 2025-2030 (no bill impact), they could do what is needed in order to maintain service levels until 2030 (an increase of around 2.2% on bills by 2030, this is in their proposed plan) or they could invest more now to tackle potential future problems. By doing nothing, there is a risk of more supply interruptions and deteriorating water quality.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Essex & Suffolk Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Water supply options.

*Essex & Suffolk Water's plans over the long term are to make sure there is sufficient water to meet demand. Their modelling has shown investment in new water supplies is needed. This includes schemes to recycle water and build new storage reservoirs.*

*Essex & Suffolk Water has some options as to how they could tackle this. They could do nothing and push everything back (no bill impact by 2030), they could make the investment that they must do (an increase of around 9.1% on bills by 2030) or they could do more now and get ahead of target (the cost would depend how much extra they did). The risks associated with doing nothing are an increased risk of interruption to supply and damage caused by taking too much water from rivers and increased leakage.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?
- What do you think of how this target will be met? Does the approach reflect how you would like Essex & Suffolk Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

#### Resilience – climate change adaptation.

*This is to do with protecting water treatment works from severe weather and other risks brought about by climate change to avoid interruptions to service. Essex & Suffolk Water plan to protect water treatment facilities from flooding, to help prevent these being inaccessible or stopping working.*

*Essex & Suffolk Water has some options as to the pace they take to address these. They could do nothing between 2025-2030 (no impact on bills by 2030), they could make the investment they would like to (increase of around 1.9% on bills by 2030, this is in their proposed plan), or they could go further and tackle more potential risks. By doing nothing the risks are: more supply interruptions and issues with water quality.*

We'd like to know...

- Do you think this target goes far enough/too far/just right?

- What do you think of how this target will be met? Does the approach reflect how you would like Essex & Suffolk Water to go about this?
- What do you think of the proposed bill change?
- What do you think of each phasing option? (note for moderator – explore preferred phasing options and service level choices, in the context of how these affect proposed bills, how different phasing affects service)
- What is your preferred phasing option from the perspective of your business needs?
- How acceptable is this to you and your business? Why?
- How affordable is this to you and your business? Why?

## Must do vs proposed plan (10 mins)

In the pre-task you will have seen a summary of Essex & Suffolk Water's proposed business plan for 2025-2030. As mentioned throughout the discussion today, they have options in terms of when they can invest in certain areas. I'm now going to share a summary of the 'must do' plan and the 'proposed' plan.

### **MODERATOR SHARE SCREEN OF MUST DO AND PROPOSED PLAN.**

The 'must do' plan only includes those investments that are statutory.

So what are the key differences?

Additional investment in resilience to adapt to climate change is not included in the must do plan.

The overall bill impact of the must do plan is an increase of 21.20%.

The overall bill impact of the proposed plan is an increase of 23.50%.

- What do you think of the must do plan in terms of acceptability?
- What do you think of the must do plan in terms of affordability?
- What do you think of the proposed plan in terms of acceptability?
- What do you think of the proposed plan in terms of affordability?

## Wrap up and post task (5 mins)

Finally, we'd like to show you an example of how *Essex & Suffolk Water's* proposed plan will impact your current bill. Please note this is just a prediction and is a ball park guide – once inflation and actual rewards and penalties are built in, your bill is likely to be a bit different. You will see this again in your post-task. **(INTERVIEWER NOTE – USE GRAPHS TO SHARE THEIR CURRENT BILL AMOUNT AND SHOW ON SCREEN OR TALK THEM THROUGH IT)**

Remember your wastewater wholesaler is Anglian Water or Thames Water, and their charges for those services are not shown in the amounts shown today.

It is likely that the wastewater wholesaler charges will also increase from 2025 due to other statutory obligations, regulations related to wastewater services or other improvements they propose to make.

Anglian Water have told us that they expect their average 2023 wastewater household customer bill to increase by around 10% by 2030.

Thames Water have told us that they expect their average 2023 wastewater household customer bill to increase by around 27.5% by 2030.

- How do you feel about this in terms of affordability? And acceptability?

Thanks for taking part in that discussion with me. I'm now going to send you your post-task to complete, please do so in the next few days to receive your full incentive.

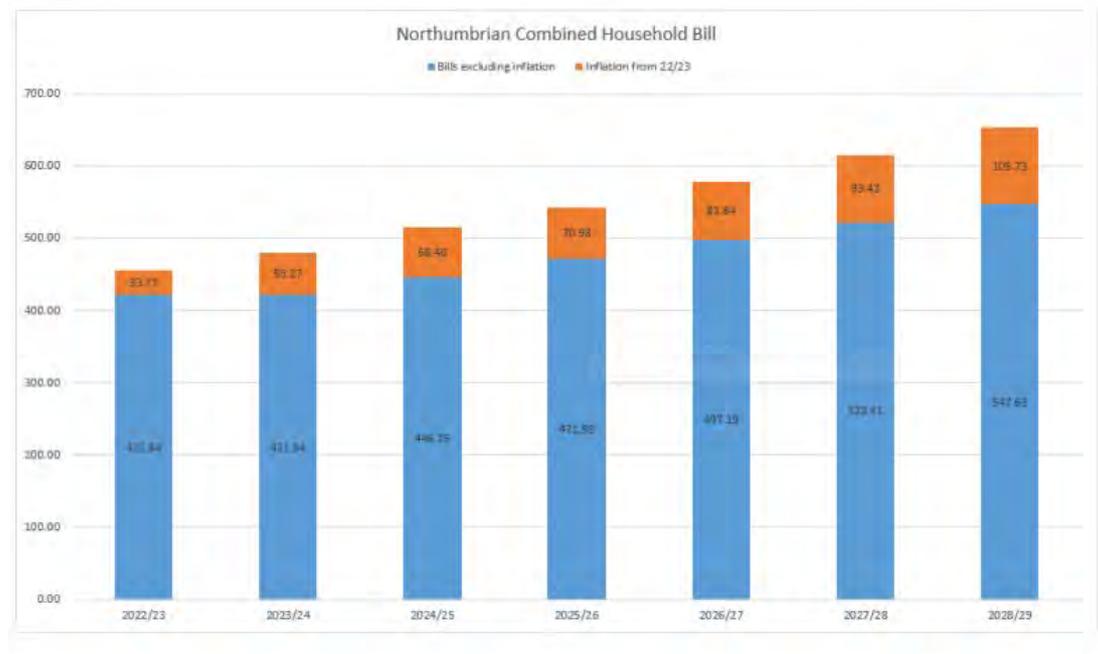
- A member of the team will be in touch with your incentive, please can I take your details now?

Thanks very much for taking part in our research today, we appreciate it.

# Appendix 19 – post task survey - NW/ESW – household/non- household

Please note Northumbrian Water and Essex & Suffolk post-task surveys were the same other than the change of name.

The below graph shows how your annual bill will change over time with Northumbrian Water's **proposed plan**.



---

Thinking about how your income may change in the future, how easy or difficult do you think it would be for you to afford these water and sewerage bills?

\*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Based on everything you have heard and read about Northumbrian Water's 'proposed' business plan, how acceptable or unacceptable is it to you?

\*

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

---

Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:

\*

- Plan is not environmentally friendly enough
- Water company profits too high
- I won't be able to afford this
- The plan is poor value for money - it's not doing enough for the cost
- The plan won't improve things enough/improvements too small
- I don't trust them to do what's best for their customers
- Water company should pay for more of these service improvements out of their profits
- The plan doesn't focus on the right things
- Plan isn't good enough for future generations
- Too expensive
- I don't trust them to make service improvements
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

The below graph shows how your annual bill will change over time with Northumbrian Water's **must do plan**.



Thinking about how your income may change in the future, how easy or difficult do you think it would be for you to afford these water and sewerage bills?

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Based on everything you have heard and read about the Northumbrian Water's 'must do' business plan, how acceptable or unacceptable is it to you?

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- I won't be able to afford this
- Too expensive
- The plan doesn't focus on the right things
- I don't trust them to make service improvements
- I don't trust them to do what's best for their customers
- Water company should pay for more of these service improvements out of their profits
- Plan isn't good enough for future generations
- The plan is poor value for money - it's not doing enough for the cost
- Water company profits too high
- Plan is not environmentally friendly enough
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- The plan will make big/good improvements to things
- I will be able to afford this
- I trust them to make these service improvements
- It's not too expensive
- I trust them to do what's best for their customers
- Plan is environmentally friendly
- Their plan focuses on the right things
- The plan is good value for money- it's doing a lot for the cost
- Plan is good for future generations
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

**Of the business plans you have seen today, which one do you prefer overall?**

\*

- Proposed
- Least cost 'must do'

**Why do you say that?**

\*

Long term investment by Northumbrian Water will require an increase in customer bills. Bills could increase in different ways over time. For example, there could be increases now for current bill payers, or bigger increases in the long term for future generations.

**Which one of the following options would you prefer?**

\*

- An increase in bills starting sooner, spreading increases across different generations of bill-payers
- An increase in bills starting later, putting more of the increases onto younger and future bill-payers
- I don't know enough at the moment to give an answer

**To what extent, if at all, do you trust Northumbrian Water to deliver their proposed plan by 2030?**

\*

- Trust them to deliver it all
- Trust them to deliver some of it
- Trust them to deliver little of it
- Don't trust them to deliver it

**Why do you say that?**

**Please select two \***

- Their services are good value for money
- They keep their service promises to their customers
- They don't update their customers on how they are delivering
- Shareholders are more important to them than customers
- Their customers are their top priority
- They will want to put their bills up by more than this
- They don't give me good service
- They give me a good service
- Their services are poor value for money

---

How easy was it, or otherwise, for you to decide which plan you preferred?

\*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult

Thank You!



Thank you for taking our survey. Your response is very important to us.

Thinking about how your income may change in the future, how easy or difficult do you think it would be for you to afford these water and sewerage bills?

\*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

# Appendix 20 – post task survey – NW/ESW – futures

Based on everything you have heard and read about Northumbrian Water's 'proposed' business plan, how acceptable or unacceptable is it to you?

\*

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:

\*

- Water company profits too high
- I don't trust them to make service improvements
- Plan isn't good enough for future generations
- Plan is not environmentally friendly enough
- The plan won't improve things enough/improvements too small
- The plan doesn't focus on the right things
- Water company should pay for more of these service improvements out of their profits
- I don't trust them to do what's best for their customers
- Too expensive
- The plan is poor value for money - it's not doing enough for the cost
- I won't be able to afford this
- Other 1 (Please specify)

- Other 2 (Please specify)

\*

\*

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- I will be able to afford this
- The plan will make big/good improvements to things
- It's not too expensive
- The plan is good value for money- it's doing a lot for the cost
- I trust them to do what's best for their customers
- Plan is environmentally friendly
- I trust them to make these service improvements
- Their plan focuses on the right things
- Plan is good for future generations
- Other 1 (Please specify)

\*

- Other 2 (Please specify)

\*

**Based on everything you have heard and read about the Northumbrian Water's 'must do' business plan, how acceptable or unacceptable is it to you?**

\*

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

---

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- I won't be able to afford this
- Plan isn't good enough for future generations
- I don't trust them to make service improvements
- Too expensive
- Plan is not environmentally friendly enough
- Water company profits too high
- Water company should pay for more of these service improvements out of their profits
- The plan is poor value for money - it's not doing enough for the cost
- I don't trust them to do what's best for their customers
- The plan doesn't focus on the right things
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

---

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- Plan is good for future generations
- I will be able to afford this
- I trust them to make these service improvements
- Plan is environmentally friendly
- The plan will make big/good improvements to things
- Their plan focuses on the right things
- The plan is good value for money- it's doing a lot for the cost
- I trust them to do what's best for their customers
- It's not too expensive
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

**Of the business plans you have seen today, which one do you prefer overall?**

\*

- Proposed
- Least cost 'must do'

Why do you say that?

\*

---

Long term investment by Northumbrian Water will require an increase in customer bills. Bills could increase in different ways over time. For example, there could be increases now for current bill payers, or bigger increases in the long term for future generations.

Which one of the following options would you prefer?

\*

- An increase in bills starting sooner, spreading increases across different generations of bill-payers
- An increase in bills starting later, putting more of the increases onto younger and future bill-payers
- I don't know enough at the moment to give an answer

---

How easy was it, or otherwise, for you to decide which plan you preferred?

\*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult

Please write your name (as we will use this as confirmation you have completed the post-task) \*

Thank You!

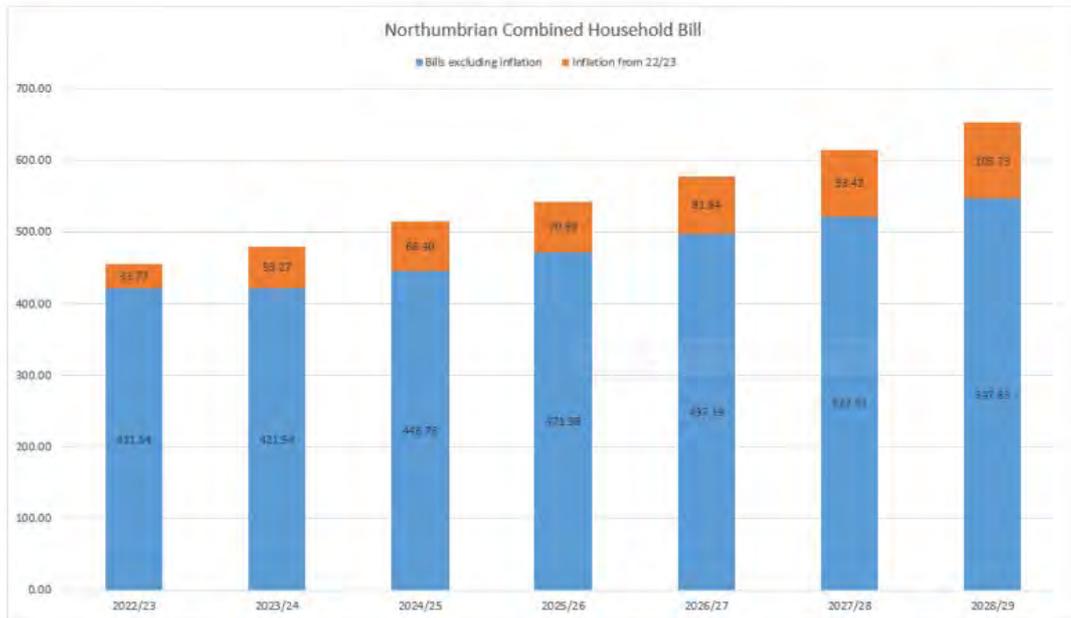
1

Thank you for taking our survey. Your response is very important to us.

# Appendix 21 – post task survey – NW/ESW – vulnerable

The below graph shows how your annual bill will change over time with Northumbrian Water's **proposed plan**.

21



Thinking about how your income may change in the future, how easy or difficult do you think it would be for you to afford these water and sewerage bills?

\*

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Don't know

Thinking about Northumbrian Water's proposals for vulnerable services how acceptable or unacceptable are these to you? \*

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

Based on everything you have heard and read about Northumbrian Water's 'proposed' business plan, how acceptable or unacceptable is it to you? \*

- Completely acceptable
- Acceptable
- Unacceptable
- Completely unacceptable
- Don't know/can't say

Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list: \*

- The plan is poor value for money - it's not doing enough for the cost
- Water company profits too high
- Water company should pay for more of these service improvements out of their profits
- The plan won't improve things enough/improvements too small
- I won't be able to afford this
- I don't trust them to do what's best for their customers
- Plan isn't good enough for future generations
- I don't trust them to make service improvements
- Plan is not environmentally friendly enough
- The plan doesn't focus on the right things
- Too expensive
- Other 1 (Please specify)
- Other 2 (Please specify)

\*

\*

**Why do you say that? Please select the TWO main reasons from the list below or write in your reason(s) if not on the list:**

\*

- I trust them to do what's best for their customers
- The plan is good value for money- it's doing a lot for the cost
- The plan will make big/good improvements to things
- I trust them to make these service improvements
- Their plan focuses on the right things
- It's not too expensive
- I will be able to afford this
- Plan is environmentally friendly
- Plan is good for future generations

Other 1 (Please specify)

\*

Other 2 (Please specify)

\*

**To what extent, if at all, do you trust Northumbrian Water to deliver their proposed plan by 2030?**

\*

- Trust them to deliver it all
- Trust them to deliver some of it
- Trust them to deliver little of it
- Don't trust them to deliver it

**Why do you say that?**

**Please select two \***

- Their customers are their top priority
- Shareholders are more important to them than customers
- They give me a good service
- Their services are good value for money
- Their services are poor value for money
- They don't update their customers on how they are delivering
- They don't give me good service
- They keep their service promises to their customers
- They will want to put their bills up by more than this

**How easy or difficult was it for you to make up your mind about whether the proposed business plan was acceptable or not to you? \***

- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult

Thank You!



Thank you for taking our survey. Your response is very important to us.

# Appendix 22 – Pre-task video

## Transcripts – NW

### Video 1 – The Water Industry



Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services.

---

Those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

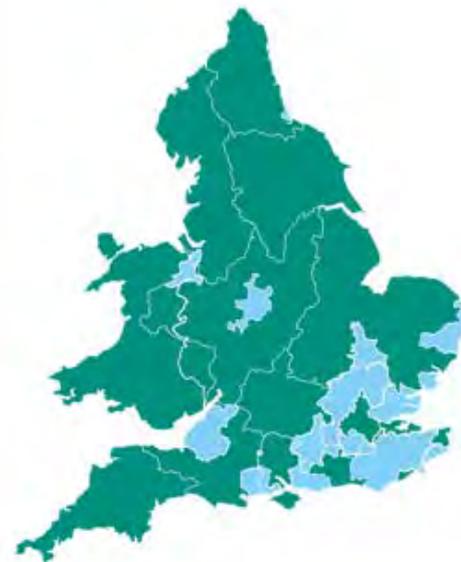
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---

Those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

---



Those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.



Northumbrian Water is one of 20 water, or water and wastewater, companies in England and Wales.



Northumbrian Water Limited provides water and wastewater services in the North East of England trading as Northumbrian Water.

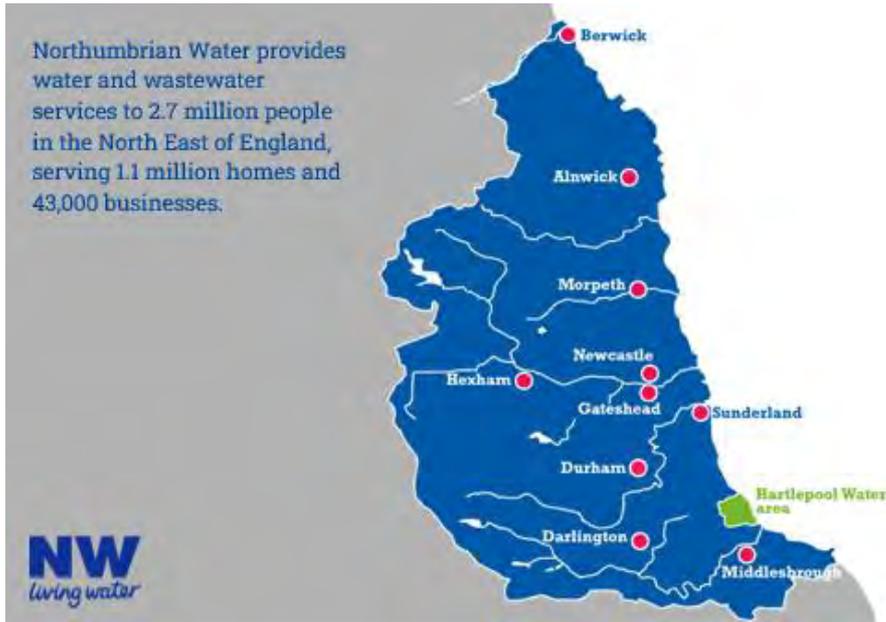
It also provides water only services in parts of South East England, trading as Essex & Suffolk Water.



Hartlepool Water supplies water only services in a small part of the Northumbrian Water area.

So, if you live in Hartlepool, Hartlepool Water provides your drinking water and Northumbrian Water takes your wastewater away.





The major population centres of Tyneside, Wearside and Teesside are in its operating area, and it also serves large rural communities in Northumberland and County Durham.



It is treated at its water treatment works before it is delivered through a network of pipes to homes and businesses.



Wastewater is then collected from properties via the sewerage network and treated at their wastewater treatment works to make it safe and clean enough to release it into the environment, putting the cleaned water back into rivers and the sea.



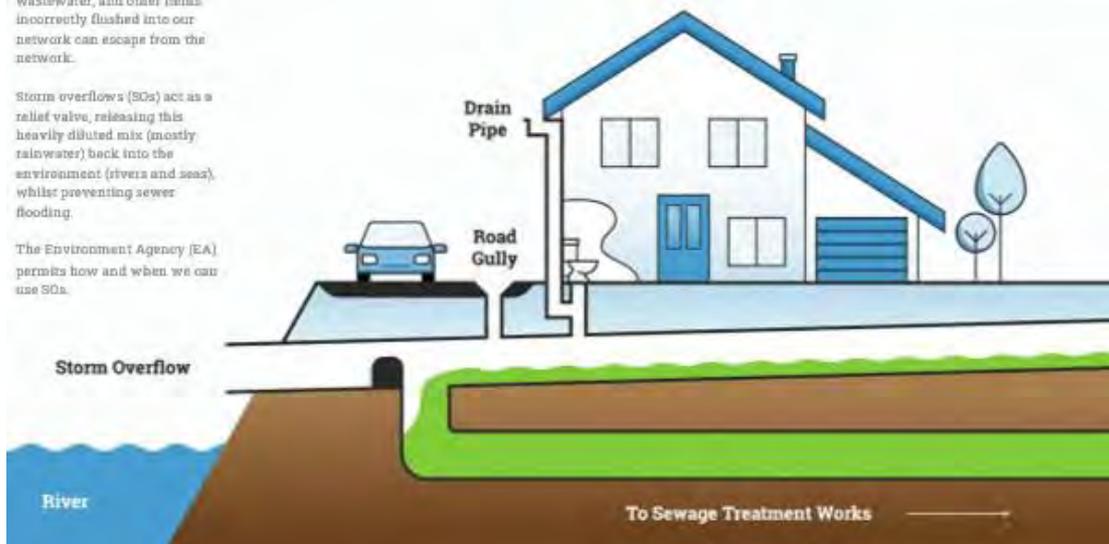
The sludge remaining after the wastewater treatment process is recycled as fertiliser or used to generate energy.



At times of heavy rainfall our pipes can reach full capacity and there's a risk that rainwater, wastewater, and other items incorrectly flushed into our network can escape from the network.

Storm overflows (SOs) act as a relief valve, releasing this heavily diluted mix (mostly rainwater) back into the environment (rivers and seas), whilst preventing sewer flooding.

The Environment Agency (EA) permits how and when we can use SOs.



## HAVE YOUR SAY

The research we are carrying out focuses on Northumbrian Water's proposed business plan for 2025-30.

Northumbrian Water wants to hear your views about its proposed plan.



**NORTHUMBRIAN  
WATER** *living water*

## Video 2 – Business Plan Process



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.

An illustration on a green background. A woman in a green shirt and black skirt stands next to a large white clipboard with a checklist. The clipboard has a green checkmark in the first box and four empty boxes below. To the left of the clipboard are three white gears of different sizes and a glowing lightbulb. The woman is holding a large pencil.

**NW**  
*living water*

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.



## Ofwat

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



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

**NW**  
*living water*





**NORTHUMBRIAN**  
**WATER** *living water*

### Video 3 – The Services NW Provides



**NORTHUMBRIAN**  
**WATER** *living water*

## Northumbrian Water's Purpose is:

---

Caring for the essential needs of our communities and environment, now and for generations to come.

We do this by providing reliable and affordable water and wastewater services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.

---

## Here are some of the ways it does this:

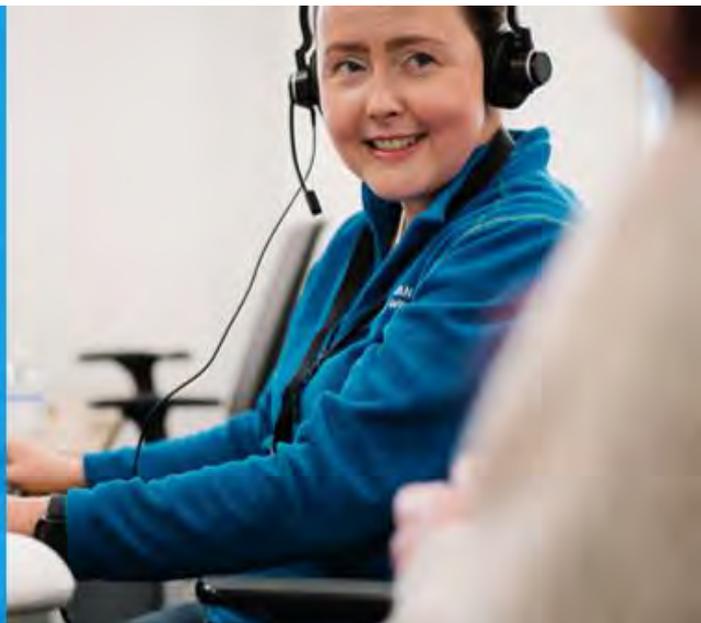


### Affordable and inclusive services

As the cost of living and utility bills rise, Northumbrian Water understands it's a difficult time for many.

There are many ways the company helps customers who are genuinely struggling to pay their water and wastewater bills including payment plans, low-income discounts and advice on saving water.

Northumbrian Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.



## Reliable services and unrivalled customer experience

Northumbrian Water wants its services to be recognised as unrivalled, delivering superb value for money and experiences that get talked about for all the right reasons.

This is about every interaction it has with its customers, from supporting someone over the phone, to seeing one of their vehicles out and about, to visiting customers at home.

It is important to Northumbrian Water that its customers trust it to deliver reliable services to them.



## Efficiency and prudent investment

Northumbrian Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Northumbrian Water ranks in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.





**NORTHUMBRIAN  
WATER** *living water*

## Caring for communities

Northumbrian Water supports the communities it serves in many ways.

It encourages employees to support communities and charitable organisations through its employee volunteering scheme.

They also have a number of community foundation funds to support organisations seeking to make a difference in their communities.

To support local economy, Northumbrian Water spends 60p of every £1 in the North East. This includes large investments to improve the environment.



## Video 4 – How a Water Company’s Performance is Monitored



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.



**NW**  
*living water*

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.

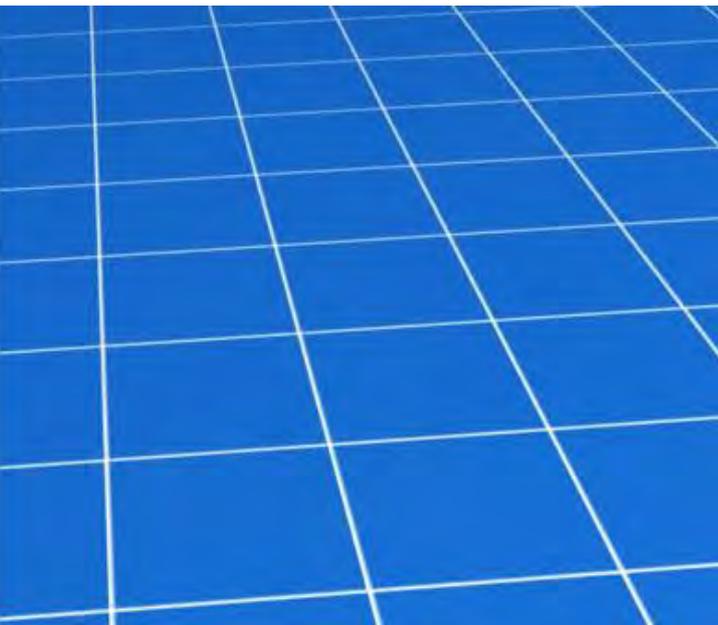


**NW**  
*living water*

These targets cover a wide range of the different services that water companies provide.

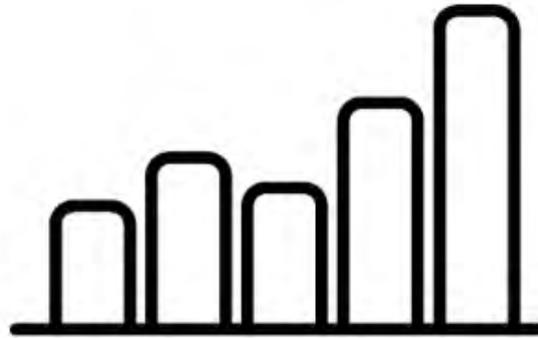


Ofwat monitors water company performance against each performance commitment every year to see if they have met the service level in their business plan.



Ofwat allows companies that have provided better than promised service to earn financial rewards.

All customers contribute towards the reward through an increase in their bill.



Here's how Northumbrian Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22.



AT OR BETTER PERFORMANCE THAN TARGET

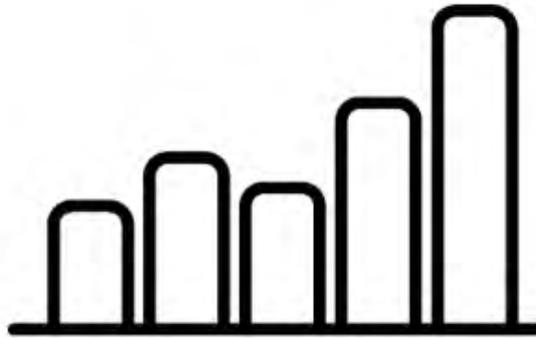
- Customer satisfaction
- Mains repairs
- Unplanned outage
- Pollution incidents
- Sewer collapses

POORER PERFORMANCE THAN TARGET

- Priority services
- Leakage
- Per capita consumption
- Supply interruptions
- Water quality
- Internal sewer flooding
- Treatment works compliance

Ofwat penalises companies that have provided worse than promised service.

The penalty means they must reduce all customers' bills to compensate for the poor service they have delivered.



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.

In November 2021, Storm Arwen caused widespread disruption including power outages across Northumbrian Water's region which in turn meant water could not be pumped to homes and business in some areas. This resulted in the company failing to meet its performance commitment for interruptions to supply.



Northumbrian Water's overall performance for 2021-22 resulted in a penalty to the company.

This resulted in £3.6m being taken off customers' bills, reducing an average annual household water and wastewater bill by £1.84 (or 0.5%).



---

We are now going to show you how well your water and sewerage company is doing on some of their performance commitments, compared to other water companies in England and Wales.

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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.

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**NORTHUMBRIAN**  
**WATER** *living water*

# Appendix 23 – Video Transcripts – ESW

## Video 1 – The Water Industry





**ESW**  
*living water*

Every day, over 50 million household and non-household consumers in England and Wales receive good quality drinking water and effective drainage services.

In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

**ESW**  
*living water*



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In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

---



---

In England and Wales, those services are provided by 11 companies that deliver water and wastewater services, and a further nine companies that only provide water services.

---



Northumbrian Water Limited provides water only services in the South East of England trading as Essex & Suffolk Water. It provides those services to 1.8 million people, serving nearly 800,000 thousand homes and 43,000 businesses and provides water services to two separate supply areas.

It also provides water and wastewater services in in the North East of England, trading as Northumbrian Water.

**ESW**  
*living water*



Our Essex area, which has a population of 1.5 million, is part rural and part urban with the main areas of population being in Chelmsford, Southend and the London Boroughs of Barking and Dagenham, Havering and Redbridge.



We serve a population of 0.3 million in our Suffolk area, which is mainly rural with the biggest towns being Great Yarmouth and Lowestoft.



This water is taken from reservoirs (where it is collected and stored), rivers and groundwater sources.



Wastewater is then collected from properties via the sewerage network and treated at a wastewater treatment works to make it safe and clean enough to release back into rivers and the sea.

This service is provided for you by either Thames Water or Anglian Water.



It is treated at a water treatment works before it is delivered through a network of pipes to homes and businesses.



**HAVE YOUR SAY**

This research is focused on Essex & Suffolk Water's proposed business plan for 2025-30.

Essex & Suffolk Water wants to hear your views about its proposed plan.



**ESW**  
*living water*

**ESSEX & SUFFOLK**  
**WATER** *living water*

## Video 2 – Business Plan Process



**ESSEX & SUFFOLK**  
**WATER** *living water*

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.

**ESW**  
*living water*

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.

**ESW**  
*living water*



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.

**ESW**  
*living water*



## Ofwat

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



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

**ESW**  
*living water*





**ESSEX&SUFFOLK**  
**WATER** *living water*

### Video 3 – The service ESW provides



**ESSEX&SUFFOLK**  
**WATER** *living water*

## Essex & Suffolk Water's Purpose is:

---

Caring for the essential needs of our communities and environment, now and for generations to come.

We do this by providing reliable and affordable water and wastewater services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.

---

Here are some of the ways it does this:



### Reliable services and unrivalled customer experience

Essex & Suffolk Water wants its services to be recognised as unrivalled. This is about delivering superb value for money and making every interaction with its customers one to be talked about for all the right reasons.



## Affordable and inclusive services

As the cost of living and household bills rise, Essex & Suffolk Water understands it's a difficult time for many.

There are many ways it helps customers who are genuinely struggling to pay their water bills including payment plans, low-income discounts and advice on saving water.

Essex & Suffolk Water wants its services to be accessible for all customers and has a Priority Services Register where customers who require extra support can sign up for additional services, for example being registered to receive bottled water if water supplies are interrupted.

**ESW**  
*living water*



## Efficiency and prudent investment

Essex & Suffolk Water's investments are ultimately financed by customer bills, so it is important to spend this money wisely.

Essex & Suffolk Water rank in the top quarter of companies in the industry for efficiency by the industry regulator, Ofwat.

**ESW**  
*living water*



## Caring for communities

Essex & Suffolk Water encourages its 650 employees to give back a minimum of 16 hours every year to support communities and charitable organisations through its employee volunteering scheme.

They also have community foundation funds to give grants to projects that set out to improve the health, education and environment of the communities it serves.

To support the local economy, Essex & Suffolk Water spends 60p of every £1 in the Essex and Suffolk areas. This includes large investments to improve the environment.

**ESW**  
*living water*



**ESSEX & SUFFOLK**  
**WATER** *living water*

## Video 4 – How a Water Company’s Performance is Monitored

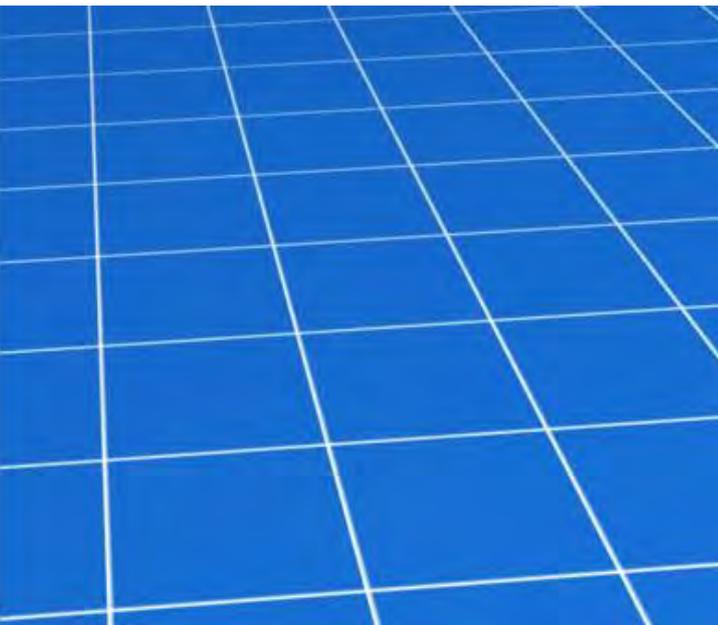


These targets are based on what customers have previously told companies they would like them to do, and on Ofwat’s assessment of what companies should deliver.

These targets cover a wide range of the different services that water companies provide.

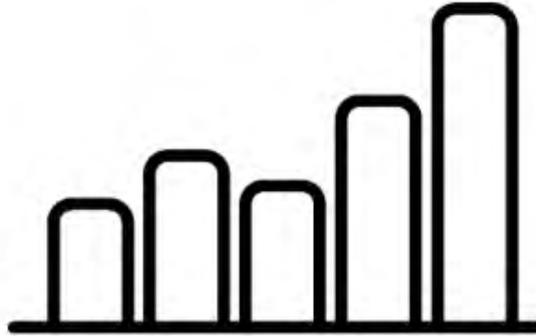


Ofwat monitors water company performance against each performance commitment every year to see if they have met the service level in their business plan.



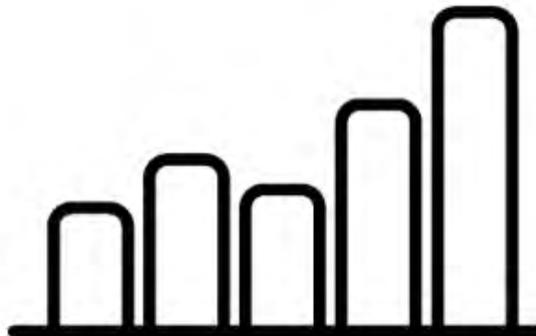
Ofwat allows companies that have provided better than promised service to earn financial rewards.

All customers contribute towards the reward through an increase in their bill.



Ofwat penalises companies that have provided worse than promised service.

These companies must reduce all customers' bills to compensate for the poor service they have delivered.



Here's how Essex & Suffolk Water performed in Ofwat's most recent assessment of penalties and rewards for 2021/22.



**AT OR BETTER PERFORMANCE THAN TARGET**

- Customer satisfaction
- Mains repairs
- Unplanned outage
- Pollution incidents

**POORER PERFORMANCE THAN TARGET**

- Priority services
- Leakage
- Per capita consumption
- Supply interruptions
- Water quality

Essex & Suffolk Water's overall performance resulted in a penalty to the company of £3.6m.

This meant that all customers' bills were reduced by 0.5%, which is £1.24 off the average water bill.



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We are now going to show you how well your water and sewerage company is doing on some of their performance commitments, compared to other water companies in England and Wales.

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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.

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**ESSEX & SUFFOLK**  
**WATER** *living water*