

let's talk water



Starting the Conversation

 Southern
Water

A message from our CEO

Welcome to the start of an important conversation – one about water and the fundamental role it plays in our daily lives, at **home** and at **work**, in **society**, the **economy** and the **environment**.



It's a time of great change both within our industry and across wider society. Although our basic product and services will remain the same, the way we provide them to you in the future could look quite different.

The future holds lots of opportunities, particularly around the role we play in supporting our customers, communities and the local economy. I believe we can add a lot more value to our region – to those living and working within it and to the precious environment that makes the South East unique. That's why we are updating our long-term strategy, to make sure our services respond to the needs of the future.

So 'Let's Talk Water – Starting the Conversation' is of course about making sure we get the essentials right around what you think is important when it comes to your water and wastewater services today.

However, it's also about making the most of the future. We need to ensure the water and wastewater services of tomorrow are resilient and can adapt to the needs of our customers and our region – facilitating economic growth and enhancing the environment.

We have already started this conversation in a number of ways which has helped us start to shape our priorities and plan how best to provide water and wastewater services across the South East of England – now and in the future.

We want you to get involved in the conversation and hear your views on how we can work best for you. We promise that we're listening.

Ian McAulay

Our area of operation



Planning water and wastewater services for the future

Planning water and wastewater is a long-term business and one that is critical to supporting our **economy**, **environment** and **society**.

As we look ahead over the next 25 years, we need to understand what the future could hold, and innovate and adapt how we work to make sure our services don't just meet your needs today, but those of your children and grandchildren.

In our region, the continuing increase in homes and people, combined with the impact of climate change and our unique environment, present us with both significant challenges and opportunities.

We need to capitalise on those opportunities and ensure that we are resilient to change so we continue to provide good value, high-quality, reliable services, while supporting the development of our local economy and helping the natural environment thrive.

But it's not just our water and sewerage network that needs to be ready for the future. It's our whole business – from the treatment processes that we

adopt to the workforce that we employ and who keep your taps running and toilets flushing.

The markets we work in are being opened up, bringing competition to parts of our business which in turn will offer greater choice to customers. We need to plan now for the role new markets will play in the future – driving innovation and ambition.

What is essential is that our service remains affordable for all, both now and in the future. Developing a robust, long-term plan is vital, so we make the right investments at the right time and fund these sensibly across today's customers and future generations.

At the same time, we need to support those customers who need our help the most – whether it's help with paying their bills or being able to access the services we offer.



What you've told us so far

We've started the 'Let's Talk Water' conversation with you in the following ways:

Water diary

We gave 100 of you a special app so you could capture your thoughts on water – whenever and wherever it crossed your mind.

Water talk

We took the areas of interest from the app and had more detailed one-to-one interviews and group discussions to explore your views further.

Water workshop

We held a series of workshops and panel discussions with community leaders and organisations in the regions we serve.

Water education

We held water sessions with nearly 50 of our future customers – aged 11 to 17 – to understand their priorities and expectations.

Our recent conversations with you have confirmed two fundamental issues: first, you want a constant supply of safe, drinking water and second, you want wastewater to be taken away and treated properly.

Connected to that is your desire for us to protect the environment. We should focus more on protecting water sources where we take drinking water supplies from; and make sure the treated wastewater we recycle back into watercourses, rivers and the sea does not cause harm.

You want to know more about your own water use so you can do your bit – while still challenging us to find and fix leaks.

You also expect us to sort any problems quickly and in a way that feels tailored to you. You want bills to be affordable and you like that we support those who need our help the most.

Finally, you made it very clear that you want us to think ahead so that any actions we take for you today consider the needs of future customers and society.

CAPTURE YOUR THOUGHTS ON WATER



Our journey to 2045 – developing our strategy

As we plan ahead for the next 25 years, there will be things that we need to do differently, so we continue to provide a great service in a changing environment and exceed the expectations of our customers. To guide us on that journey we've identified some strategic themes.

We need to:

- become more **resilient** so that we deliver high-quality services in a fast-changing environment and support the sustainable growth of our region
- embrace **innovation** and do things differently so that we unlock savings that make our services more efficient
- provide greater **choice** for customers so they can decide how to receive our services
- make sure our services are **accessible and affordable** to everyone – whatever their circumstances.

We've taken what you've told us so far and started to think about the goals or 'outcomes' we want to achieve to help us serve you, our customers, better. These outcomes are:



Providing a constant supply of high-quality water



Investing for future generations



Reliably removing wastewater



Providing a great customer experience that is easy and tailored



Reducing water wastage



Helping customers when they need it most



Protecting the natural environment

What happens next?

'Let's Talk Water – Starting the Conversation' will help us define the areas we should prioritise now and where we should focus our long-term ambitions as we develop all our future plans. We want you to tell us what you think as we plan for the future, both now and over the coming months.

Turn to [page 23](#) to find out how to get in touch.

Future challenges and opportunities

Planning for water is a long-term business. While we can't accurately predict the future, we can make contingency plans by talking to customers, regulators, industry experts and specialists to build a picture of how conditions are likely to affect us in the future.



Population growth

We're predicting around **500,000 new homes and a 20% population increase by 2045**. The way we live is also changing – in the decade to 2011 there was a **10% rise in people living alone**, skewing the picture of the "average" household. With the South East having increasingly scarce water resources, many environmentally important areas and a densely-populated coastline, what could be done differently when building the towns of the future?



Vulnerability

Half of UK adults do not have enough savings to cover an unexpected bill of £300, but our help may need to go beyond money matters for customers in vulnerable circumstances. For example, **one in seven UK adults have literacy skills of a child aged 11 or below**; in any year **one in four adults experience a mental disorder**; and more than 57,000 people in our supply area get a carer's allowance. Are we doing enough to support all our vulnerable customers?



Weather

From droughts to floods it's extremes of weather that have the most impact. While we've come a long way since the **severe drought of 1976**, climate change is likely to make these extremes more common. How will we compare in the future?



Protecting the environment

The South East boasts almost **400 Sites of Special Scientific Interest, four Areas of Outstanding Natural Beauty, 83 designated bathing waters and eight shellfish production waters**. We rely on the environment to provide the water we supply, and to recycle the 860 million litres of treated wastewater produced every day. Is there a new way we can work to protect, enhance and value these natural assets which are so critical to our business?



Political landscape

We expect the government's **25-year environment plan** to provide better integration of water, energy, agriculture and conservation issues. Our exit from the European Union could also allow better, more targeted legislation. How much of a role should we play in shaping this?



Technology

It is getting smarter and cheaper. **Self-drive vehicles and drones** will become the norm, while the future could see us all moving to **'artificial intelligence'** to manage our daily lives. Technology has the potential to transform our daily lives – should we be prioritising investment in this area?



New markets

The way we are regulated and work is changing. Our financial regulator Ofwat has plans to create an open market for parts of our business, for example securing water resources or trading in bioresources, such as sludge, a by-product from wastewater treatment. Other potential markets are in 'community electricity'. We currently produce power from waste in Combined Heat and Power plants at 16 of our wastewater treatment works – should we also offer locally-generated electricity to the communities we serve?



Economy

The commercial landscape in the South East is changing. One emerging industry in the region is wine production. There are now **200 English Wine Producer Member vineyards** in the South East, with **English sparkling wine sales reaching £100 million** in 2015. At the same time there is a predicted shortage of the science, technology, engineering and mathematical skills we need to support our work in the environment. A resilient water supply is critical for thriving businesses – how do we calculate the investment we make in securing water against the value it adds to the economy?



Retail competition

Business customers can now choose who provides the billing and customer service parts of their water and wastewater service. Similar changes are mooted for household customers in the future. It won't mean any changes to the network of treatment works and pipes we use, but it will mean we need to change the way we do business. Should we engage in other household retail markets too, for example phones or energy supply?



Resilience

Goes **beyond just turning on the tap, or flushing the toilet**, and expecting there to be water available – whatever the weather. Our corporate systems – finance, IT and even our people – also need to be resilient to change. Are we ready to flex and adapt when we need to?



Partnerships

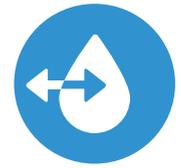
These are key to delivering solutions to issues we can't fix alone – like **flooding and managing water catchments**. Expertise is more easily tapped into and partnering gets us closer to understanding what the community needs. Can we involve these partners more as we develop our future plans?



Asset age

Our **vast system of pipes**, pumping stations and treatment works need to last for many years. Keeping them in good running order so they can serve future customers just as well requires constant investment. How do we balance investment for the future with keeping bills affordable?

Providing a constant supply of high-quality water



The message we heard time and again is that you expect to turn on the tap and get high-quality, reliable supplies of drinking water, all day, every day – whatever the weather, whatever the challenge. The look, taste and smell of the water is also important.

What our customers and stakeholders said...

- Feedback received from the app underlined the importance of having a clean, constant drinking water supply, so it's important to minimise any interruptions.
- Many of our community leaders feel high-quality water should be provided.
- Environmental groups recognise the role that Temporary Use Bans (former hosepipe bans) can play in conserving water supplies during droughts.
- Businesses that use large amounts of water are keen to ensure any impacts on them are minimised where possible.

| | Current performance | How we compare (industry average) | |
|---|---------------------|--------------------------------------|---|
| Water quality (compliance) | 99.98% | 99.96% |  Better than industry average |
| Appearance (no. contacts per 10,000 customers) | 9 | 11.9 |  Better than industry average |
| Taste and smell (no. contacts per 10,000 customers) | 3.6 | 3.8 |  Better than industry average |
| Interruptions to supplies (average mins per property) | 12 | 13.47 |  Better than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

We need to be able to respond to new legislation aimed at keeping drinking water safe. How we do this is not just about building more complex and costly treatment processes, it's also about preventing things like pesticides and fertilisers – used by farmers to improve crop yields – from running off the land and getting into rivers and underground natural reservoirs from where we take water to supply our region.

We also need to make sure water is there when you turn on the tap. The impact of more people and more properties is simple – we will need to deliver more water and make sure our supplies are secure and resilient.



Opportunities to innovate

Right now, we are...

- leading the industry in preparing for climate change and planning for more extreme droughts than any we have experienced before in the UK
- partnering with farmers and landowners in new initiatives to help stop pesticides reaching the water sources we rely on.

Over the next few years we can...

- invest to extend the 'mini grid' of water mains in the South East to move water supplies to where they are most needed, particularly during droughts
- boost the amount of drinking water available for new homes by replacing supplies to agriculture and industry with highly-treated wastewater
- be one of the first in our industry to progress opportunities to treat wastewater to even higher standards and recycle it to supply high-quality drinking water
- pioneer the use of new technology to monitor our pipes and treatment works to find and fix issues before they create bigger, more disruptive problems
- lead the way in creating a local 'trading market' with other organisations which hold a licence to abstract water – to make the best use of the limited resources in the South East
- carry out work to improve the quality and resilience of the environment we rely on for supplying our water.

Longer term, we could...

- establish ourselves as the overall lead on water in the South East and take responsibility for managing and co-ordinating everyone who uses water – farmers, water companies, energy companies and other businesses
- be at the forefront of trialling new technology and harnessing green energy to build sustainable desalination plants to treat seawater for drinking water and reduce our nation's reliance on rain
- exploit advances in hydropower to capture the energy created by the millions of litres of water and wastewater which flow through our network every day.



You expect a constant supply of high-quality drinking water

Let us know what you think

Q: Does this outcome capture what's important to you?

Q: Have we missed anything with this outcome?

Q: Are there any other challenges or innovative opportunities that you would like to bring to our attention?



southernwater.co.uk/haveyoursay

Reliably removing wastewater



Our sewers need to cope with extremes of weather and the modern demands of society. So, whether it's periods of heavy rain causing flash floods, flushing the loo or draining the kitchen sink, you expect us to take that wastewater away and deal with it. Our sewers are only designed for wastewater and the three Ps – pee, poo and paper. So, when cooking fats, oils and greases, or 'unflushables' like sanitary items and wet wipes go down them, it causes thousands of blockages and, worse, sewer flooding of homes and gardens. It's something we all find unacceptable, which is why you've told us to continue investing in our sewer network.

What our customers and stakeholders said...

- Most of you don't feel you are personally at a high risk of flooding, but recognise the impact is significant on those that are, so this is still an important area to focus on.
- You want to know more about the causes of floods and what you can do – or stop doing – to help prevent them. You want us to give you clear advice and support to change your habits around waste disposal.

| | Current performance | How we compare (industry average) | |
|--|---------------------|--------------------------------------|-----------------------------|
| Internal sewer flooding (per 10,000 properties) | 1.91 | 1.76 | Worse than industry average |
| External sewer flooding (per 10,000 properties) | 24.6 | 15.2 | Worse than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

There is growing pressure on our wastewater network from changes in the climate, more extreme weather and an increase in housing and population. We need to work with partners and other agencies to make sure we invest wisely to keep the sewers flowing and treatment standards high. Customers can play their part too to make sure the network only has to cope with what it was designed for, as unflushable items and fats, oil and grease flushed down drains can cause blockages and flooding. We need to find ways of engaging with our customers so they know what is

safe to flush and pour down drains, and are inspired to play their part to help keep sewers clear. Should we target blockage hotspots? Or do more work with manufacturers to correctly label non-flushable wet wipes? Who owns what is also a challenge – customers are responsible for their private sewers, while other organisations are responsible for highways drainage and flood protection.



Opportunities to innovate

Right now, we are...

- significantly reducing the number of blockages in sewers by visiting thousands of our customers to raise awareness of what can and can't be safely flushed down the loo or poured down sinks
- gaining agreement from the manufacturers of wet wipes to improve their labelling so more people are aware they shouldn't be flushed down the loo
- working in partnership with Environmental Health Officers to get fat and grease disposal systems installed in restaurants, food shops, cafes and pubs
- trialling new scanning technology from Germany to test how watertight sewers are to help prevent infiltration from groundwater and flooding.

Over the next few years we can...

- support the development of new materials for wet wipes which can be safely flushed down the loo without causing blockages

- seek out more opportunities to work with partner organisations to help keep rainwater and groundwater out of our sewers and so increase their capacity and reduce flooding
- inspire and incentivise communities to take pro-active, collective action to help keep their local sewers, pumping stations and treatment works clear of blockages.

Longer term, we could...

- put ourselves forward to take the lead on flood protection, bring together the separate parties who currently play a role and co-ordinate new sources of funding to support this
- harness new technology, such as smart sensors, across our entire wastewater network so we can find and fix blockages as they happen and prevent flooding and pollution.

THE UNFLUSHABLES



Let us know what you think

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southernwater.co.uk/haveyoursay

Reducing water wastage



Water is a precious resource and should not be wasted. You quite rightly hold us to account on issues like how quickly we find and fix leaks – even when we let you know that we’re leading the industry in leakage management. You also want us to be more proactive in helping you become more water efficient.

What our customers and stakeholders said...

- There was a feeling of gratitude that we all have easy access to safe, clean drinking water.
- When asked to keep a water diary, you became very aware of how you were using water.
- Community leaders strongly support water efficiency measures and awareness activities that build on our successful metering programme.
- Leakage was not specifically mentioned but when asked, you said you were concerned about how much water is lost through leaks.
- Community leaders expect us to reduce leakage further but recognise the cost shouldn’t outweigh the benefits.
- You expect us to support you in using water wisely, while we should do our bit to reduce water wastage too.

| | Current performance | How we compare (industry average) | |
|--|---------------------|--------------------------------------|---|
| Level of leakage (based on average litres per property, per day) | 76 | 121 |  Better than industry average |
| Daily water use (based on average litres per person, per day) | 132 | 139 |  Better than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

Virtually all of you are on a water meter and evidence shows it’s already changing behaviour. On average, you are using 60 litres less water, per household, per day – a saving of 16.5%. Nevertheless, we think there’s more work to do to drive down water use, not least as it has a positive impact on energy costs too.

Our leakage teams work around the clock to find and fix leaks on our 13,000km of water mains. As a result, we are one of the best leakage performers in the sector.

We also recognise we need to go further to ensure that we don’t fall short of the challenging targets we’ve set ourselves in the future. Many of our water mains are getting older and showing signs of deterioration. We can leave them and just fix the leaks or bursts when they happen, or replace the pipes before they start to fail. The number of water mains we replace, and the speed at which we replace them, is important as it will have an impact on water bills.



Opportunities to innovate

Right now, we are...

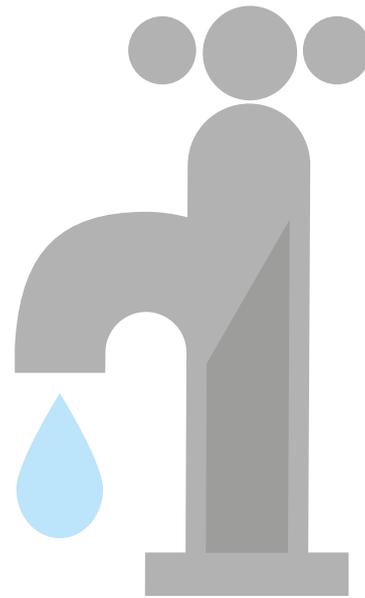
- the first water company in the UK to have installed water meters for most homes and businesses – making savings of 16%
- carrying out thousands of free water audits in homes and schools and fitting water-saving devices to help you save water, energy and money on your bills
- championing residents, businesses, schools and community groups along the River Itchen to collectively cut water use by 25% to earn a reward of £50,000 for local good causes
- continuing year after year to have one of the best records in the industry for finding and fixing leaks – about 10% less than the water industry average.

Over the next few years we can...

- campaign for and support developers in building more water efficient homes, including things such as dual water systems, which use high-quality water for drinking and washing and recycled grey water (from baths, washing machines) for flushing toilets
- champion a national water efficiency labelling scheme for bathroom, kitchen and garden products which use water and work with the Government to set minimum standards
- engage our customers to trial and launch individual and community tariffs which reward water saving.

Longer term, we could...

- go further to reduce leakage by pioneering the development and use of new pipe materials which are less likely to leak, can automatically detect water escaping and which could even seal themselves
- harness advances in treatment technology to build smaller, community-based water supply works so drinking water travels shorter distances and is less likely to be lost through leaks
- achieve one of the lowest levels of personal water use in the UK by motivating our customers with reward schemes and tariffs, water-saving devices and encouraging an emotional connection with their environment.



We're improving
how we look after and run
our water and wastewater
networks

Let us know what you think

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southernwater.co.uk/haveyoursay

Protecting the natural environment



We've heard many times how important the environment is to you. You recognise the important role we play in protecting it – but we've not heard a definitive view on whether we should do more to enhance it. This is an important debate as it could transform the way we interact with our local communities. We have to be responsible when we take water from our rivers and streams, and keep those same rivers and streams free from pollution. We also need to protect our beaches and bathing waters from sewage overflows during heavy rain.

What our customers and stakeholders said...

- Community leaders want us to take more of a lead to preserve the environment, and use partnerships to deliver improvements more effectively.
- Environmental groups want us to achieve more sustainable levels of water abstraction from our rivers and underground aquifers.
- Our beaches, coastlines and rivers remain important for the local tourism industry.
- We should take action to reduce greenhouse gas emissions and adapt to changing weather patterns.

| | Current performance | How we compare (industry average) | |
|--|---------------------|--------------------------------------|---|
| Bathing water compliance (% reaching sufficient) | 99% | 98.5% |  Better than industry average |
| Pollution incidents (per 10,000km of sewer) | 75 | 54 |  Worse than industry average |
| Environmental Permit compliance | 99.3% | 98.7% |  Better than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

The quality of bathing waters, rivers and watercourses is the lifeblood of coastal communities and tourist economies. We need to meet challenging environmental targets to protect them, which directly affects and informs our decision making. The same bathing waters are home to a number of designated shellfish beds around the coast from where shellfish can be harvested and sold for human consumption.

The rising number of people and properties in the South East will add pressures to our existing water and sewerage systems. Without targeted investment, we could potentially affect the environment which we take water from – even though we are now supplying 29 million litres less water a day than during restrictions in the 1976 drought.



Opportunities to innovate

Right now, we are...

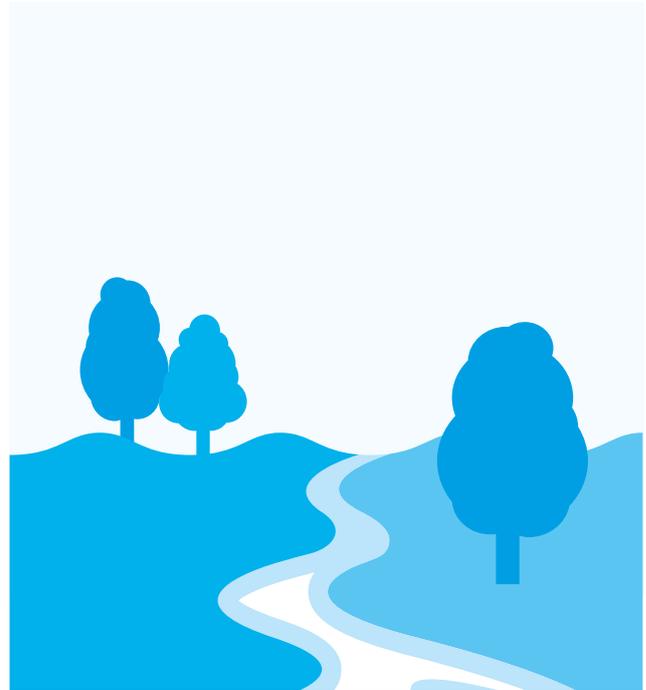
- playing our part to offset our carbon footprint and reduce global emissions by investing in renewable energy schemes at our sites – we will generate 17% of our energy by 2020
- gathering vital data on the impact of overflows we make into rivers and the sea during wet weather to avoid flooding inland. We'll be monitoring 98% of these by 2020
- leading on investigations into what causes pollution in the bathing waters around our coastline – 99% already reach European standards and more than half are classed as 'excellent' for water quality. We want seven more to be 'excellent' by 2020
- investigating whether we can use drones and satellites to spot pollution incidents more quickly and so reduce their impact.

Over the next few years we can...

- be at the forefront of harnessing advances in battery technology to generate and store renewable energy at our works
- act on the data we have gathered about the impact of overflows on rivers and coastline to prioritise areas for investment and protection
- inspire and offer incentives to farmers and landowners who adopt different ways of working that prevent their actions causing damage to the water environment
- be among the first to recognise that our business relies on the benefits of natural capital – eg clean air, food, water, energy, medicine, recreation – so we plan our investments more wisely to protect them.

Longer term, we could...

- prioritise investment to produce renewable energy across our entire network to power our own operations, feed into the National Grid or support community energy initiatives
- drive investment to bring all 83 bathing waters along our coastline up to the 'excellent' standard – boosting tourism, the economy and flying the flag for the South East
- supporting the development and trials of new filter technology to transform the way we clean and transport wastewater to significantly reduce the risk of pollution.



We need to balance
the needs of people
and wildlife

Let us know what you think

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southernwater.co.uk/haveyoursay

Investing for future generations



You're clear that you want us to do more to make our business future-proof. So this outcome is about making sure the decisions we make for you today don't create greater problems or challenges for future customers. It's about careful long-term planning and investment in our corporate systems, as well as our water and wastewater networks, rather than cheaper, quick fixes. That's particularly important when it comes to keeping everything in good working order so our business is resilient enough to cope with an increasing population, the demands of climate change and fluctuating energy prices and availability. We need to do all this with an awareness of the positive impact that partnerships with others can play in delivering smarter, innovative investments.

What our customers and stakeholders said...

- Managing the impact of burst water mains is critical, with concerns about repeated bursts in the same area.
- Our community leaders believe there is an opportunity for us to work more closely with local councils and developers.
- More needs to be done to prevent surface water flooding, and we need to keep a close watch on the capacity of our sewers where flooding has happened.
- There is support for developing long-term wastewater plans, similar to those we also have for the water resources part of our business.

| | Current performance | How we compare (industry average) | |
|---|---------------------|--------------------------------------|------------------------------|
| Number of water mains bursts (per 1,000km of pipe) | 96 | 130 | Better than industry average |
| Number of sewer collapses (per 10,000km of sewer) | 19 | 74.5 | Better than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

The demands of climate change and a rising demand for water and wastewater services are putting pressure on our vast network of pipes that are many years old. We don't just need to keep what we've already got in good working order, but will need to build additional, more intelligent systems, while working in partnership with communities

and developers. This should help us cope with society's demands and the extremes of weather we're seeing. We also need to make sure we invest in our corporate systems to make our business sustainable in the long term.



Opportunities to innovate

Right now, we are...

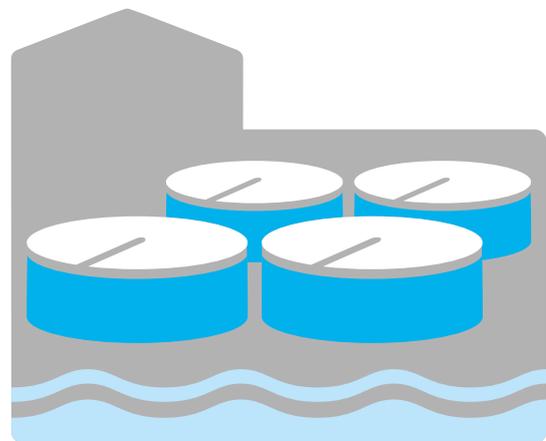
- engaging pro-actively with developers and local planning authorities to understand how we can support housing, population growth and the economy in a sustainable way
- moving to a more enlightened way of planning and delivering our services by considering the water and wastewater in our catchments as a whole, rather than addressing individual problems and solutions in isolation, such as poor water quality or flooding
- playing a pivotal role in collaborative research by the water industry to develop drainage systems fit for the 21st century.

Over the next few years we can...

- take pro-active steps to gain a clearer picture of the potential impacts of climate change on our ability to supply water and recycle wastewater, and plan timely action to protect our future services and our network
- pilot nutrient recovery technology at our works to remove nitrogen and phosphorus from wastewater – the multiple benefits include generating an environmentally-friendly fertiliser, a new source of revenue and improving water quality in rivers and the sea.

Longer term, we could...

- inspire the creation of new integrated water, wastewater and energy networks for new housing and towns in the South East as a sustainable model for the rest of the UK
- guarantee resilient water supplies across the region by promoting the development of more water re-use schemes to take advantage of our currently untapped constant supply of wastewater
- collaborate with innovators and businesses to develop more local and self-sufficient water and energy facilities which are tailored to the needs of communities and the environment.



We need to build more intelligent systems to cope with climate change

Let us know what you think

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southernwater.co.uk/haveyoursay

Providing a great customer experience that is easy and tailored



Another message we heard often during our conversations with you is that you want us to go further and deliver great service – whatever the issue and whenever it happens. As most of you currently can't choose your water and wastewater supplier, it's even more important. From billing and meter queries, to responding to burst mains and blocked drains and sewers, our service should be easy, quick, seamless and sympathetic when it needs to be – just as you expect from all vital service providers.

What our customers and stakeholders said...

- You don't often need to contact us but, when you do, you expect good customer service.
- Around 30% of queries that come in via our website relate to billing issues and some of you have experienced challenges in these areas.

| | Current performance | How we compare (industry average) | |
|---|---------------------|--------------------------------------|--|
| Customer satisfaction | 73/100 | 82/100 |  Worse than industry average |
| Written complaints (per 10,000 properties) | 77.1 | 33.7 |  Worse than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

Fortunately, it is very rare that things go wrong but if they do we need to put things right as soon as we can. Delivering great service is not just about how quickly we answer the phone and deal with your queries or complaints. It's also about how our planned and emergency work can potentially disrupt your daily life and how we limit that inconvenience.

We need to find ways of meeting increasing customer expectations, not just on what we do, but how we keep you informed.



Opportunities to innovate

Right now, we are...

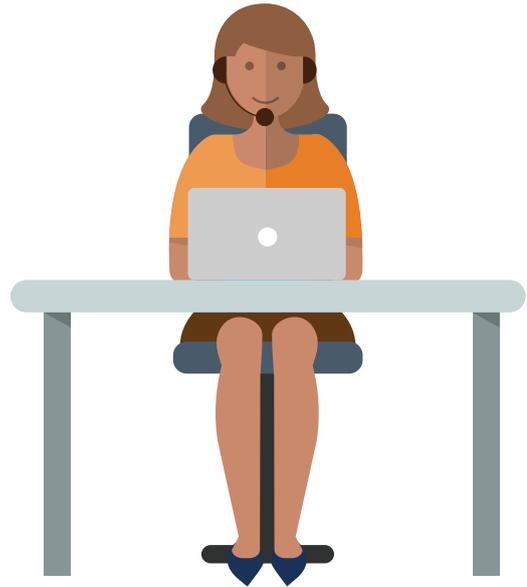
- expanding the ways you can manage your account and bills online. More than 85,000 of you have signed up to our new online services in less than six months. We're targeting 300,000 by the end of 2017-18
- increasing our web chat capacity so you can contact us more easily at a time convenient to you through a channel of your choice
- providing one combined bill for customers who receive their water supply from South East Water and wastewater services from us.

Over the next few years we can...

- use more insight into customer trends to design a broader range of tailored services
- develop a smart phone app able to automatically read your water meter, providing real-time information on how much water you are using, to the palm of your hand
- establish a stand-alone retail business to provide more focused customer services for those with specialist requirements.

Longer term we could...

- join up with energy and phone and broadband suppliers to provide a one-stop shop for your home services.



Our service should be easy,
quick and seamless

Let us know what you think

Q: Does this outcome capture what's important to you?

Q: Have we missed anything with this outcome?

Q: Are there any other challenges or innovative opportunities that you would like to bring to our attention?

Making it easy to contact us
and use our services



southernwater.co.uk/haveyoursay

Helping customers when they need it most



You've told us you want to keep water and wastewater bills affordable which is even more important for those of you who struggle to pay your bill. But this outcome isn't just about bills – customers in vulnerable circumstances can include older people and those with medical conditions, such as home dialysis patients who need a constant supply of water, or those with hearing or speaking difficulties. We want to know more about your circumstances so we can offer tailored help and support at the right time. Working with other organisations to help society's most vulnerable, whatever their circumstances, is one way of doing that.

What our customers and stakeholders said...

- Most of you said your bills were affordable compared to other utilities but feel it's important that bills are kept at acceptable levels.
- Most of you were not aware of the help we offer customers in vulnerable circumstances but were supportive of us doing this.
- Some of you were concerned that we make sure the help is targeted at those genuinely in need.
- Consumer groups wanted us to focus more on how we identify and define customers in vulnerable circumstances. They also want to see clear charges and accurate bills.

| | Current performance | How we compare (industry average) | |
|---|---------------------|--------------------------------------|--|
| Average water and sewerage bill | £418 | £395 |  Worse than industry average |
| Social tariff take up (per 10,000 connections) | 42.18 | 67.28 |  Worse than industry average |

Data from Discover Water at discoverwater.co.uk

Challenges we face

We need to find a way of balancing society's water and wastewater needs – both current and future – with the burden it potentially places on your finances. We offer special low tariffs to those of you who are in genuine financial hardship. Overdue bills and bad debt are a significant issue for us and the entire industry – it's estimated this debt adds around £21 to the average bill.

We also need to be more aware of those who are experiencing problems temporarily, due to a sudden change in circumstances and give you that extra help when you need it most.



Opportunities to innovate

Right now, we are...

- helping customers who are struggling to pay their bills – we have a target to help more than 200,000 by 2020
- looking at new schemes, tariffs and additional services we can offer customers who are in vulnerable circumstances
- working with partners such as local councils and charities to help those in need of more help, including older people and those with disabilities
- joining forces with local housing associations to provide debt and water efficiency advice.

Over the next few years we can ...

- collaborate more with partners such as the Citizen Advice Bureau and StepChange to find and help those who could benefit from our support
- work with government and other utilities to provide more joined-support for those experiencing difficulties
- use data to help identify people who may be starting to experience problems with their bill or accessing our services so we can offer support before difficulties get worse.

Longer term we could...

- learn much more about issues which may affect customers and work more closely with their communities to offer timely and targeted support.



We want to give tailored support to customers in vulnerable circumstances

Let us know what you think

Q: Does this outcome capture what's important to you?

Q: Have we missed anything with this outcome?

Q: Are there any other challenges or innovative opportunities that you would like to bring to our attention?



southernwater.co.uk/haveyoursay

What happens next?



'Let's Talk Water' is just the start of our conversations with you. We'll continue to explore in more detail your key priorities, as well as working with you, community leaders and other organisations to tackle some of the trickier issues like affordability, leakage and resilience. The same conversations will also inform all our other future plans, including those for drought, water resources and our business operations.



We'll use the insight we gain from these conversations to shape and inform our 25-year strategy, up to **2045** and beyond. We'll publish this in **Autumn 2017** so you can see our long-term vision to deliver your priorities, and the ambitions we've set for our business. This is another chance for you to tell us if we're getting it right.



Following that, we'll need to develop our next business plan for **2020** to **2025** which we'll publish in **early 2018**. We're really keen to hear your views on this plan too. So, watch this space.

Have we got it right?

This is our early thinking on capturing your priorities and embedding them in our future plans.

But have we got it right? Now is your chance to have your say.

‘Let’s Talk Water – Starting the Conversation’ is your opportunity to tell us what you think so you too can shape your future water and wastewater services.



Please let us know if we’ve set the right goals and covered the issues that really matter to you. You can also tell us what you like and don’t like about our approach to seeking your views. Contact us by:



Visiting our website at:
southernwater.co.uk/haveyoursay



Emailing us at:
futureplans@southernwater.co.uk



Writing to Southern Water:
The Regulatory Team
Southern House, Yeoman Road,
Worthing, BN13 3NX



Phoning Southern Water:
0330 303 1267
available 24/7 (Calls charged at local rate)

Please send us your specific comments by **30 June 2017** (although we’re always keen to hear your views throughout this important process to plan your future water and wastewater services).

Thank you for talking water with us – we promise we’re listening.

We will donate £1 to Kent, Surrey and Sussex Air Ambulance, our company charity, for each customer who submits a completed questionnaire.

**Kent Surrey Sussex
Air Ambulance**



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