

Southern Water: Hampshire update

30 January 2025



from
**Southern
Water** 

Agenda

- Welcome – George Eykyn
- Company update – Tim McMahon
- Wastewater Asset Strategy, Planning and Future Growth – Chris Braham and Daniel Whitcher
- Wastewater – Groundwater Infiltration update – Floyd Cooper
- FOG and Unflushables – Working with our communities to prevent blockages – Matt Collins
- Clean Rivers and Seas Task Force – Nicole McNab
- Closing words



Company update

Tim McMahon, Managing Director for Water



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Testwood WSW supply incident – December 2024

- We are very sorry to our customers that were affected by our water outage at Testwood Water Supply Works in December 2024.
- The incident affected c.58,000 properties in parts of Southampton, Eastleigh, Romsey and the New Forest.
- We have committed to an enhanced compensation package for those affected. Our response was not good enough and a thorough investigation has been ongoing since the incident finished.
- We will be sharing our post-incident report with you imminently, and we have also set up a separate meeting with local authority Leaders and MPs that were affected. This session will take place on 7 February.



Our Business Plan – 2025 to 2030

- In December 2024, we received our Final Determination from Ofwat for our Business Plan for the period April 2025 – March 2030.
- Ofwat sets out how much water companies can invest in their networks over the next five years – and how they should set customer bills to support that activity.
- It's important that we take time to review all the detail carefully, so we can understand the level of support the regulator has shown for our most ambitious investment plan yet.
- More than **25,000 customers** spent over **8,000 hours** telling us what they think, as part of Business Plan engagement.



Our Business Plan – 2025 to 2030

INVESTMENT

- Since privatisation, £1.6bn of equity has been invested by Southern Water's shareholders. Over that period, £400m more has been injected into the business, than has been paid out as a return to investors.
- Our shareholders are proposing a further injection of £650 million in equity to support continued investment growth, with no planned dividends in 2025-30.
- We've not paid any external dividends for 8 years. In the last two financial years we made operating losses of £18m and £72m – the consequence of our decision to invest beyond what Ofwat stipulated.



Proposed bill increases

- We're very conscious that a rise in bills isn't easy for our customers. But it is essential in delivering the improved performance and infrastructure that is required.
- We absolutely understand concerns about bill rises, especially during a cost-of-living crisis, but improvements are needed.
- We have been keeping bills low – the average water and wastewater bill for 2024 is £439. In 2014 it was £437.
- That's an increase of 0.5% in 10 years. At the same time inflation has gone up 33%, increasing the cost of everyday items.



Supporting our customers



- We're offering more help for customers than ever before with a £235 million support package for those in the most vulnerable of circumstances.
- We're doubling the funding for our Social tariff, which includes a minimum of 45% off for those that who may struggle to pay their bills (over 120,000 households now and rising to 200,000 by 2030).
- We plan to increase our Hardship Fund to £1.25m and increase our Priority Services Register to 20% of our customer base (currently 8%).



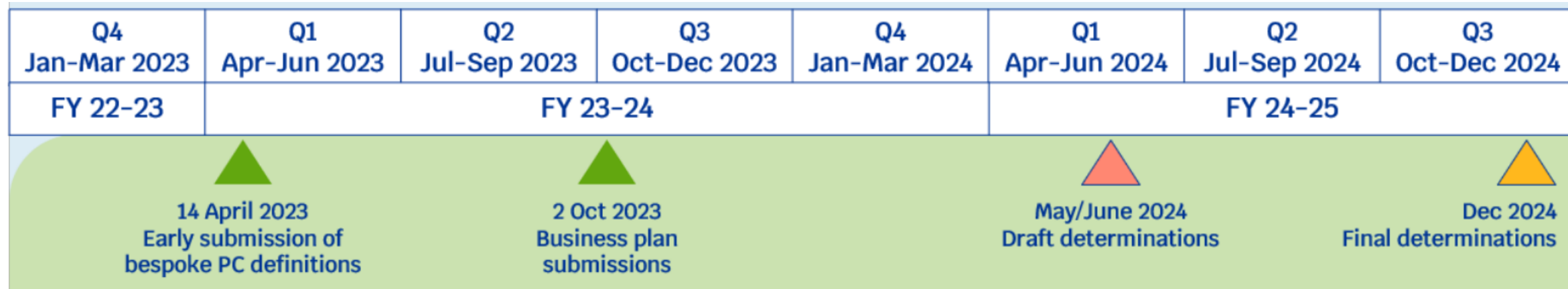
Providing resilient Wastewater Services in Hampshire

An overview of the planning process and plans for investment over the next 5 years in Hampshire



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Water Industry Regulatory Investment Cycles



- Ofwat's 5 year cycle Price Review (PR) process sets allowances for water company investment for each Asset Management Plan (AMP) period
- Ofwat's Final Determination was announced for AMP8 (2025-2030) in December 2024
- Includes the Environment Agency's Water Industry National Environment Programme (WINEP) – our investment to protect and enhance the environment (e.g. storm overflows)
- Drainage & Wastewater Management Plan (DWMP) sets out our long-term investment needs – now statutory plan with 5 year cycle to inform Price Reviews



Our Drainage and Wastewater Management Plan (DWMP) looks at the investment needs over the next 25 years to provide safe, resilient wastewater services to customers and protect the environment

Future Challenges

Climate Change



Population Growth



Environmental Capacity & Resilience



Affordability



Delivering our services

Network flow management to reduce flooding and spills

Recycling wastewater and nutrient removal

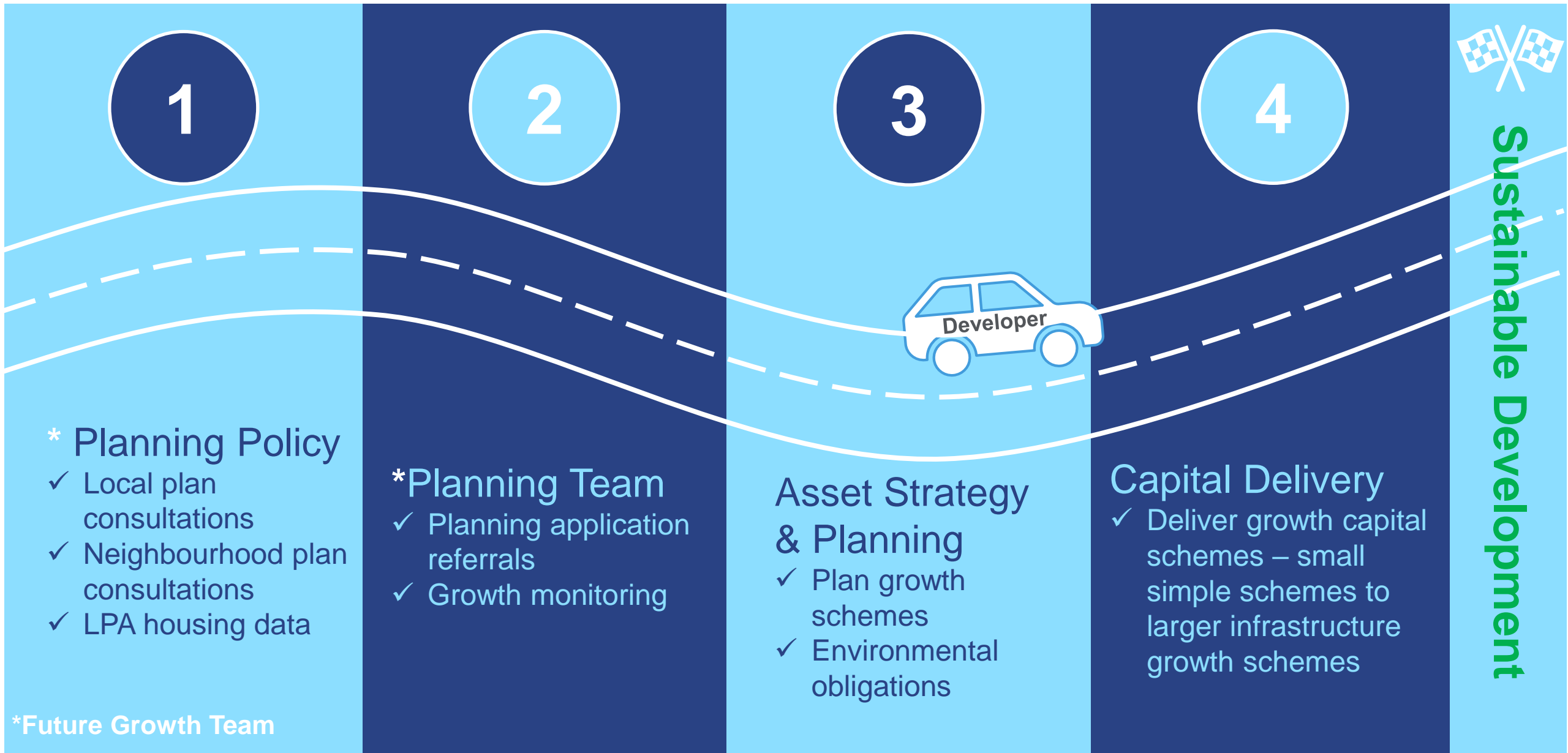
Asset health and resilience

Bioresources



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Future Growth – Journey to sustainable development



Growth: Assessing the need for investment in wastewater services to support and enable new development

Developer Services experience on average **470** local planning referrals per month

We have reviewed **70** wastewater catchments with specific growth needs resulting in reinforcement requirements across **19** of those catchments

Development planning and phasing

Network capacity assessment

Network modelling and flow surveys

Upgrade options, costs and programming

Scheme design

Delivery and handover

“Over 5000 planning referrals per annum”

Prioritisation of catchments requiring network reinforcement include:

- Development size and expected build out.
- Developments impact on existing issues
- Spread of growth and potential 'Hot Spots'
- Working with Councils and Developers to understand when large strategic developments will start

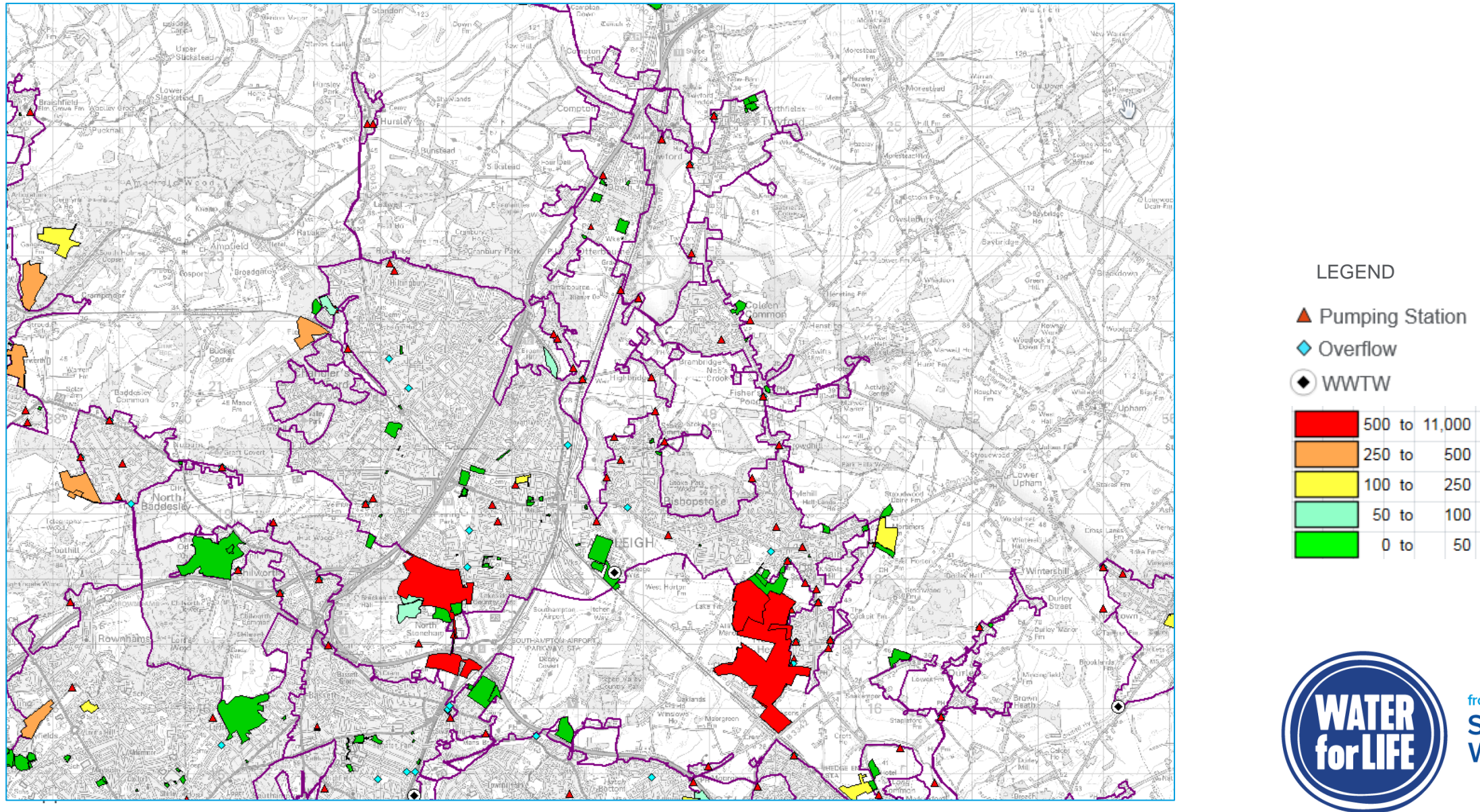
Approach (based on growth clusters):

- Surface water removal
- Increased storage in the system
- Upsizing sewers
- Removing surface water connections

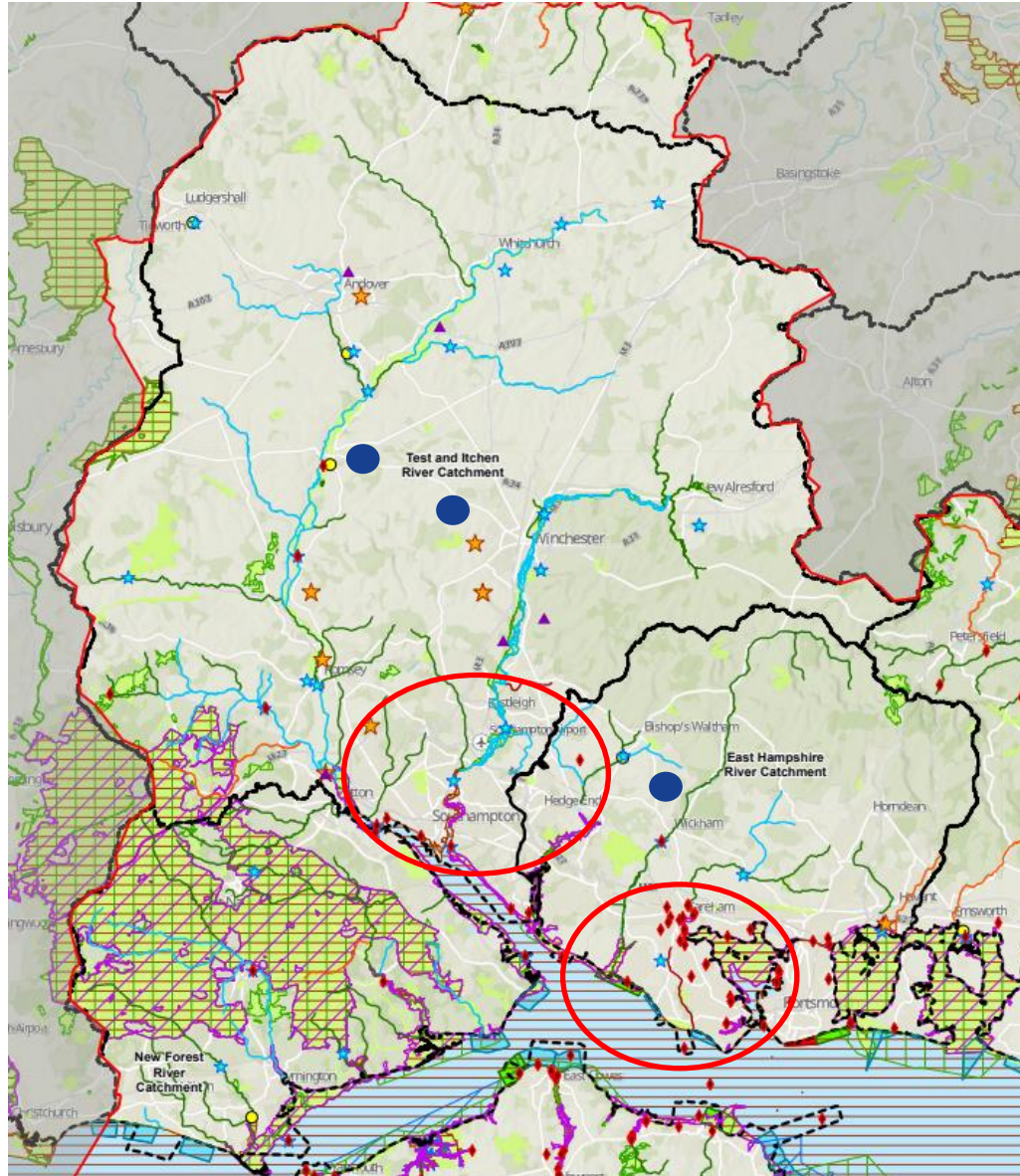


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Planned growth in the Chickenhall (Eastleigh) catchment



Investment plan: 2025-30 (AMP 8) to support Hampshire growth



Growth:

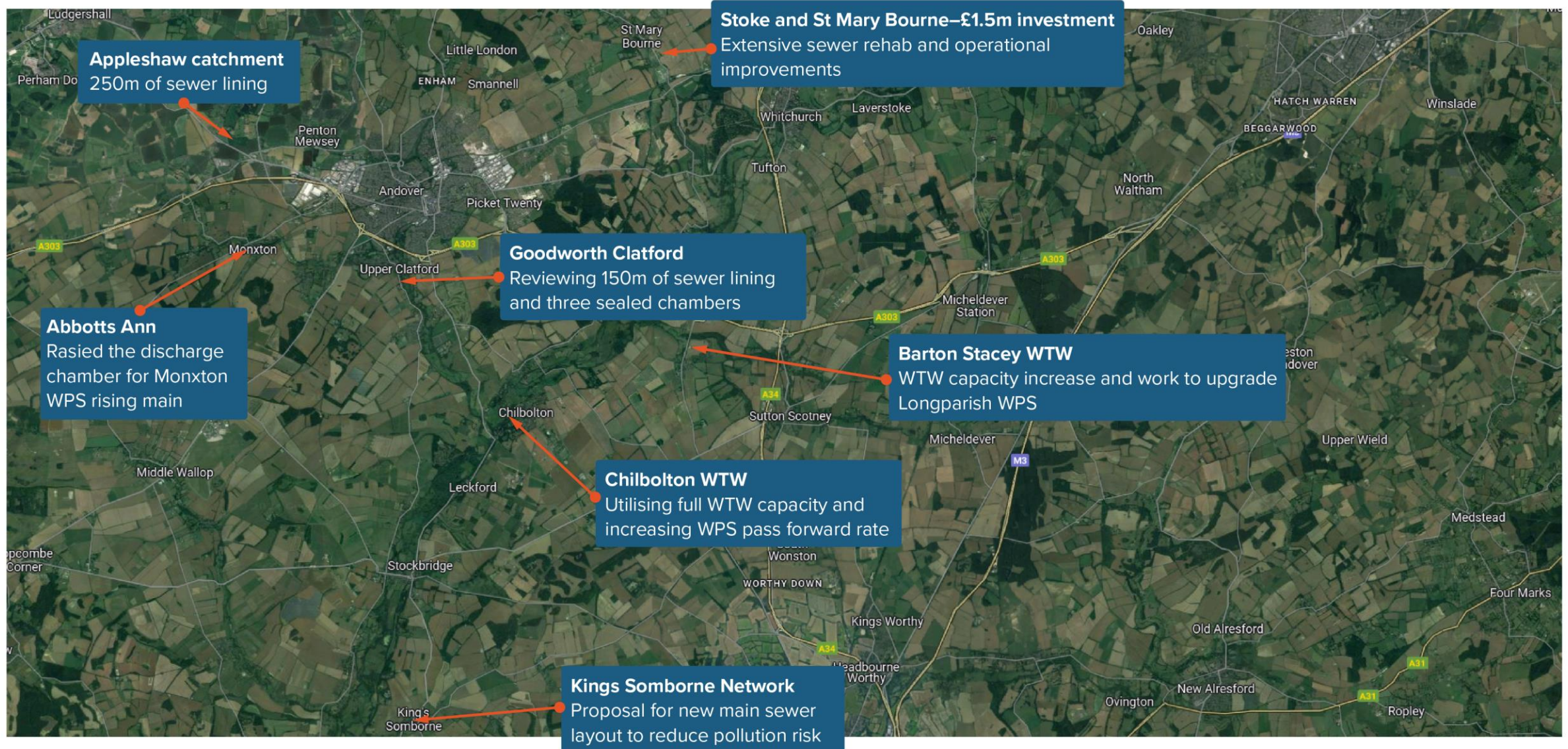
- **19** wastewater network catchments currently in modelling and optioneering phase. **2** in Hampshire:
 - Chickenhall (Eastleigh)
 - Peel Common
- **3** growth schemes at treatment works in Hampshire are planned:
 - Bishops Waltham
 - Fullerton
 - Stockbridge

Wastewater – Groundwater Infiltration update



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Joined up thinking Hampshire



Groundwater hotspots in Hampshire – status update

- **Pan Parish:** no permanent groundwater tankers in the area this winter. In an emergency, we stand up tankers for short-term relief.
- **St Mary Bourne:** No tankers stood up in the village, which was our key objective. Tankers supporting our network at the nearby Wastewater Pumping Station
- **Appleshaw:** Active location for groundwater but we changed the way our tankers operate, to reduce the impact on residents and businesses.
- **Broughton:** Road closure in place while tankers are needed, to stop any environmental impact. We are working with Broughton Parish Council to reduce the impact.
- **Fullerton:** Groundwater installation
- This is being monitored 24/7 and we are ready to react if we notice any potential impact on our sewer network.





Fat, Oil, Grease & Unflushables

Working with our communities to prevent blockages



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Background

We were clearing over 23,000 blockages a year

66% of blockages are preventable

Over 6,000 tons of wet wipes and unflushables were removed over 8 months

In the UK each year, more than 3,000 homes are flooded due to sewer misuse

Our Activities

- Door knocking
- Manhole cover lift
- Presentations – High to Low level – Schools, WI Groups, Parish Councils
- Events
- Monthly Targeted Hotspot Campaigns (THC)
- Tour Guides for Peacehaven WTW

Work Streams

Historical Postcodes – proactive approach

Reactive Jobs – reacting to a recent sewer issue

The FOG and Unflushables team

2016–24



190,000

face-to-face
conversations
with customers



25,700

Manholes
surveyed



1149

Full or partial
blockages
found



650

Blockages
cleared
ourselves



131

internal
floodings
prevented



71

external
floodings
prevented
(2020-24)



580

Presentations
delivered



141

Public events
attended



Created two
**customer
education
films**



Developed an
educational
**augmented
reality game**



Co-organised the
2021 and 2022
**European FOG
Summit**



Committed
data led
**behaviour
change
campaigns**



2,900
food
businesses
supported



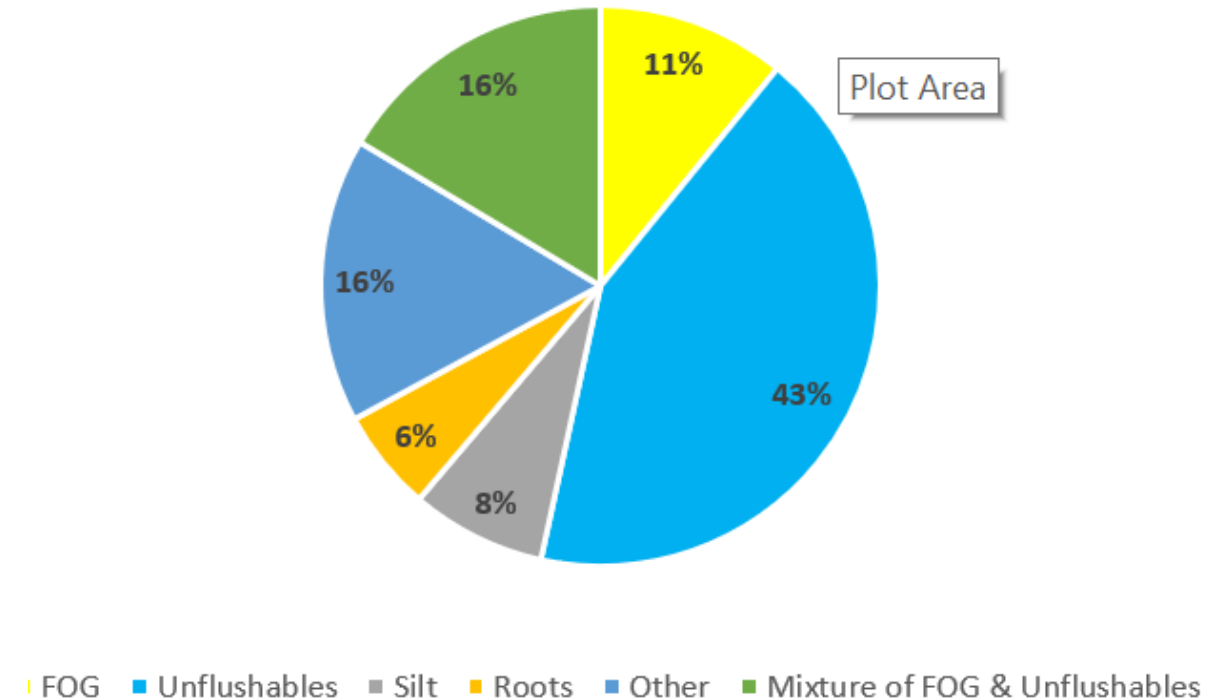
40
national and
international food
chains engaged



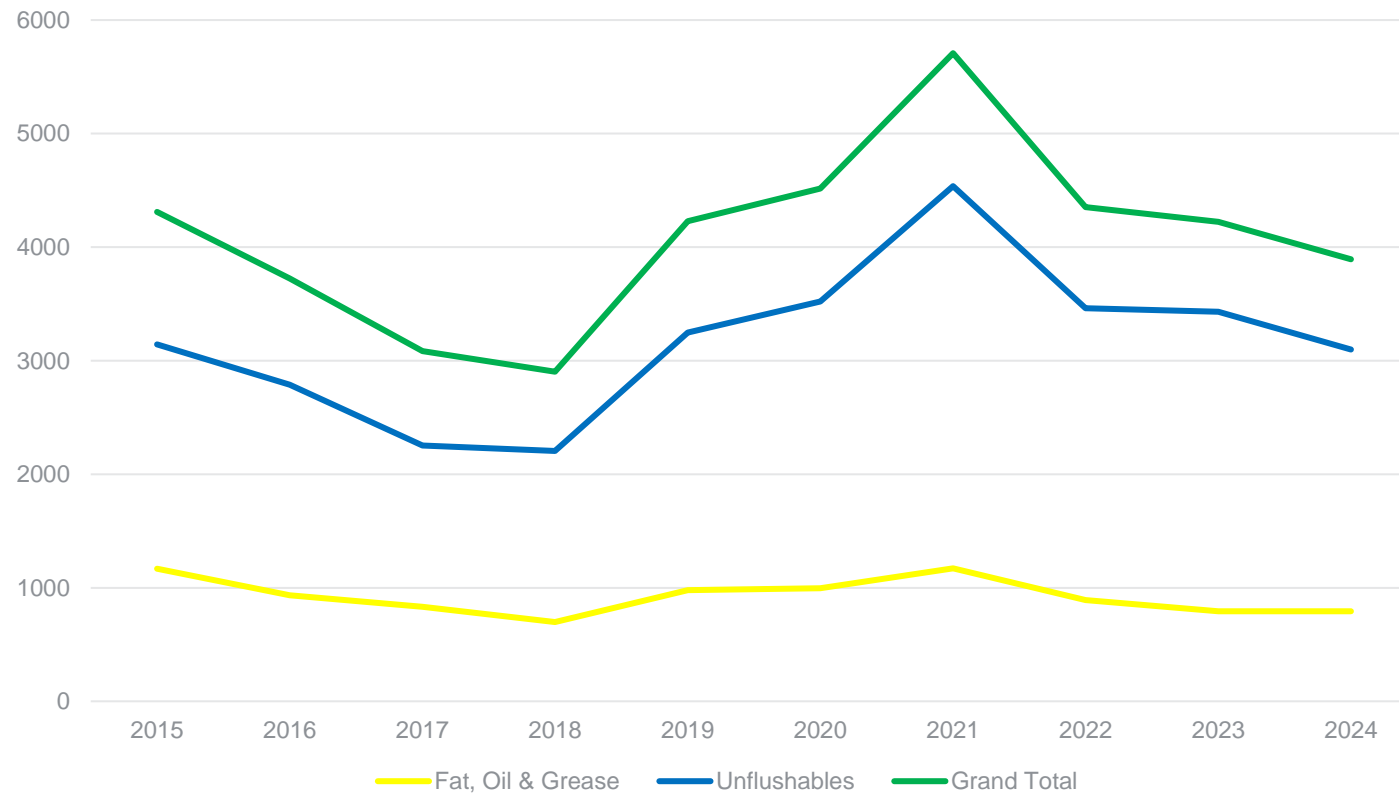
**Influenced
and led**
the UK grease
management
industry

FOG and Unflushable blockages – Hampshire 2024

- 3892 **preventable blockages** in 2024
- 793 of these blockages caused by Fat, Oil and Grease
- 3099 of these blockages caused by wipes and sanitary products
- **Hotspot areas**
- Southampton = 595
- Fareham = 363
- Waterlooville = 250
- Portsmouth = 246



FOG & Unflushables Blockage Data: Hampshire – 2015 to 2024



FOG & Unflushable Team Activity in Hampshire

- 78 presentations to schools, uniformed groups & Adult talks
- 56 local community events attended
- If you would like us to attend one of your groups to deliver a presentation or attend an event you may, get in touch:

Fog&flushables@southernwater.co.uk



How can we all help?

- Pour excess fat into a container and dispose of it in the bin - not down the sink.
- Mop up excess FOG from pans and plates with kitchen roll.
- Use a sink strainer to prevent food being washed down the sink.
- Only flush the three Ps (pee, poo and paper)



Clean Rivers and Seas Task Force Hampshire update

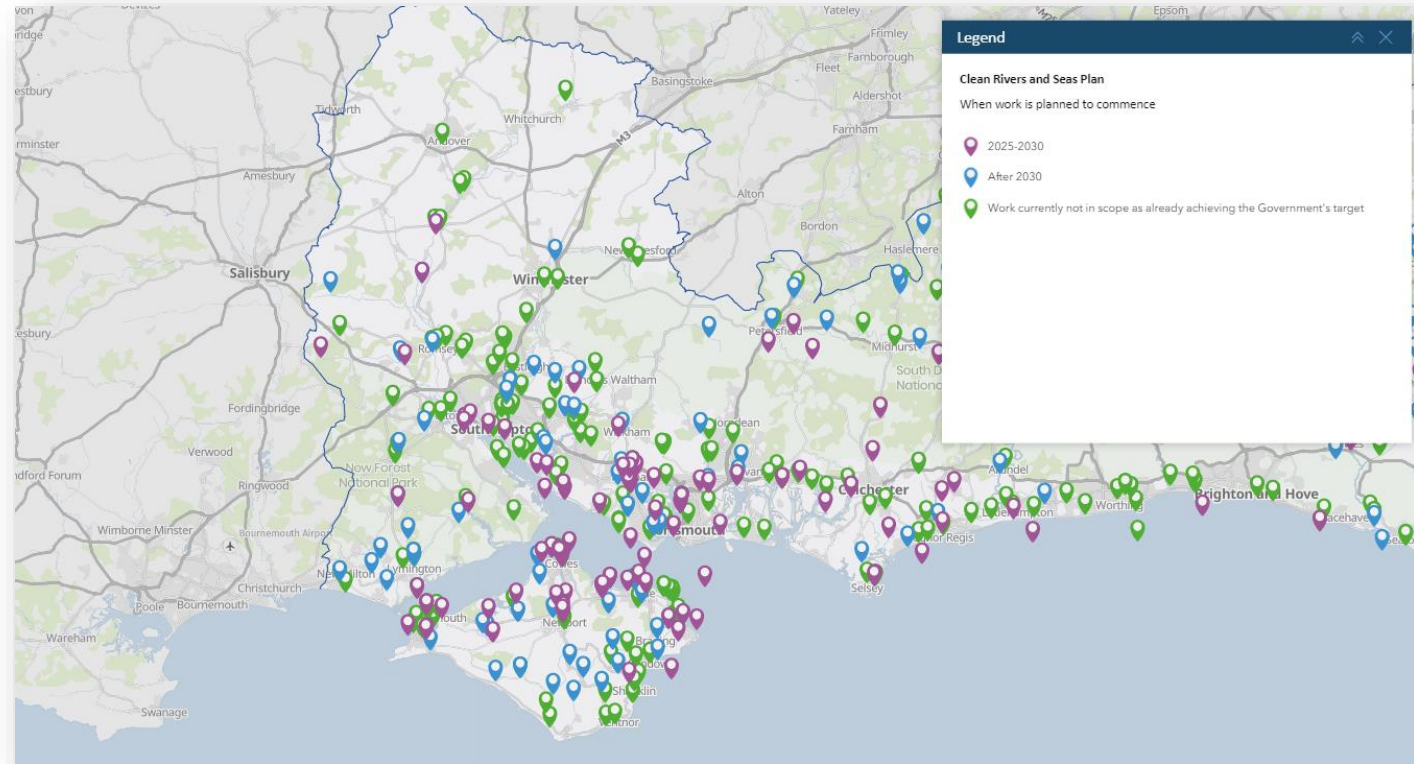


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Overflows in Hampshire

Key stats

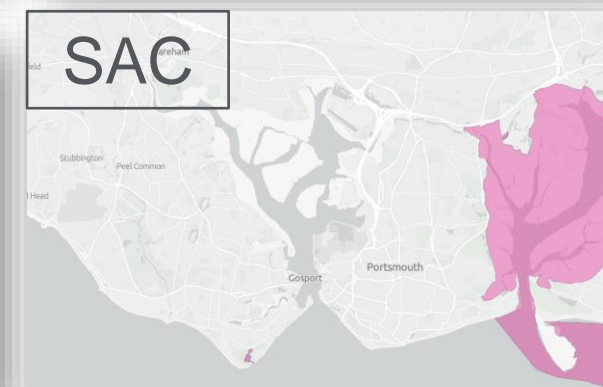
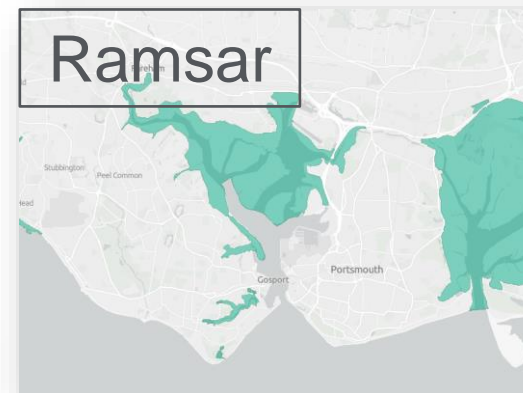
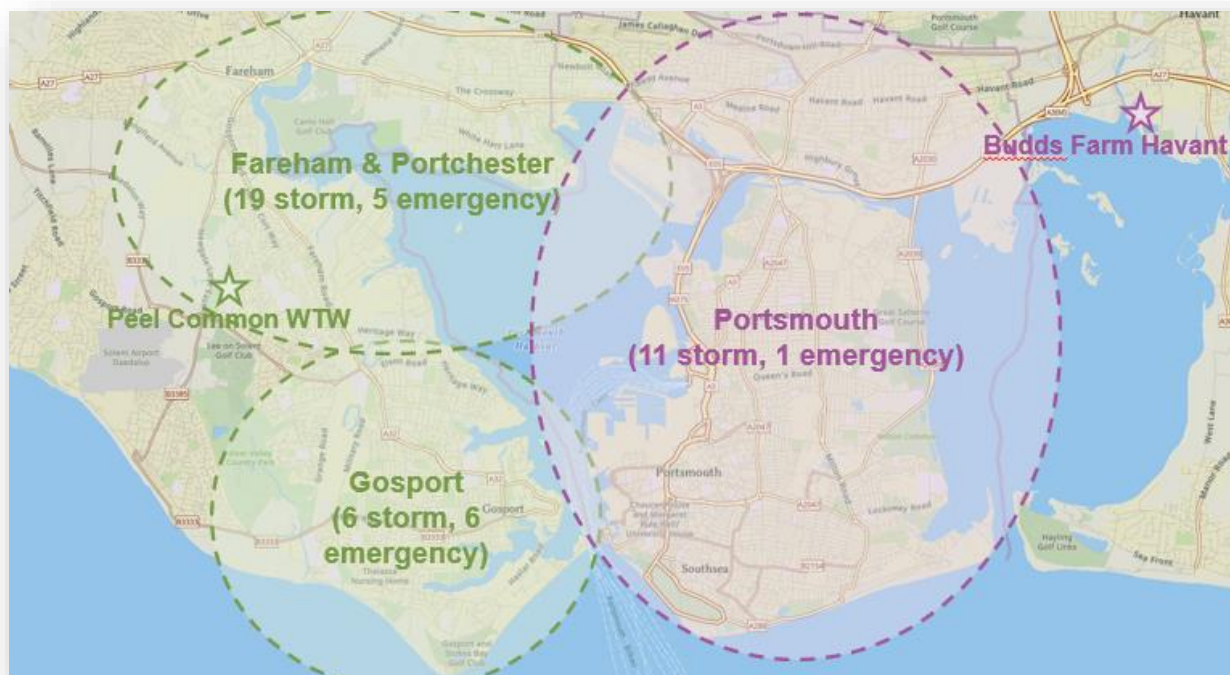
- 186** Storm Overflows in Hampshire
- 89** Require work/investment to achieve Govt. targets before 2050
- 73** Overflows working on before 2035
- 50** Overflows working on between 2025-2030



southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map

Portsmouth Harbour Project

38 overflows, £162m, Complete by 2027

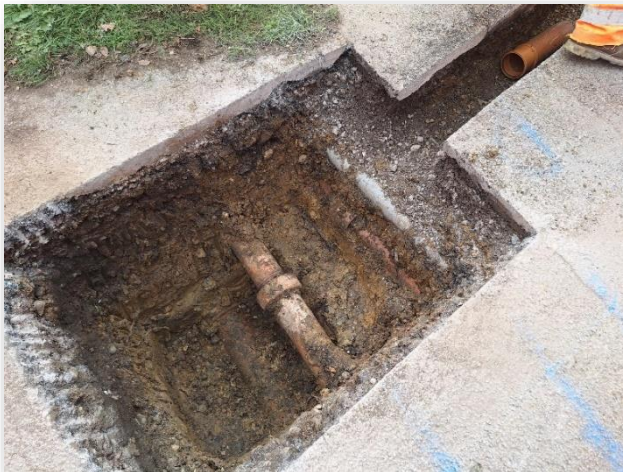


Work so far...

50 properties, 4 industrial units and 1 car park disconnected from the combined sewer system

Over 1 Hectare of stormwater removed from the foul system in Fareham

1000 tonnes of water during a 10mm storm.



Work now started in Gosport



Groundwater flooding

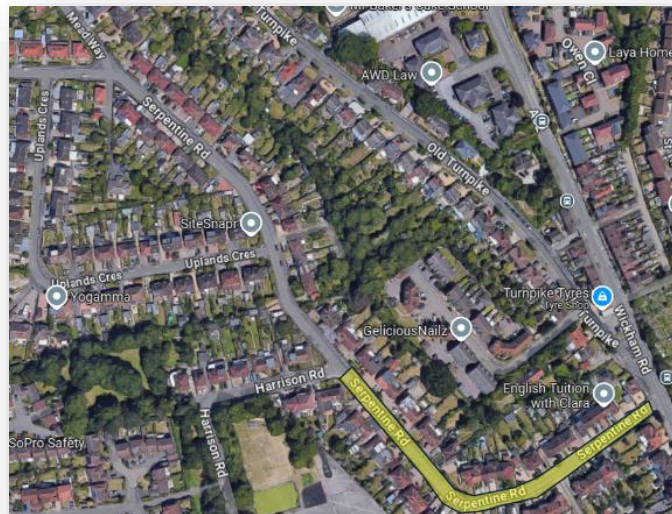
- Ofwat final determination published in December 2024
- £28m to seal 220km of sewer.
- Full plans for Fullerton catchment spring 2025



Working in partnership



Rivers and Seas Watch full launched – near-real time information for all storm overflow, including inland. Co-created with stakeholders and users



Working with Hampshire County Council, Portsmouth City Council and Southampton Council to explore potential highway SuDS schemes – held multiple workshops and exploring pilot areas in Fareham and Portsmouth. Aim is to manage surface water in communities

SHAPING PORTSMOUTH

Become members of Shaping Portsmouth and working closely with Portsmouth's Green Partnership – includes MoD, Airbus, NHS, and other partners



Share your thoughts



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You can vote
at [Slido.com](https://www.slido.com) with the code

#3605824



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Appendix



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Community Centre Grants



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Community Centre Grants – Hampshire

- As part of our programme to support making the community stronger, our Community Centre Grant is back for a third year.
- This year we provided over 30 grants of £1,000 each and six were awarded in Hampshire.
- These grants have directly alleviated the burden of rising energy and operational costs, ensuring that vital services continue to be accessible to the local community.

Hampshire winners:

- Woolston Community Centre
- Valley Park Community Association
- Norden Community Association / Oakridge Hall
- Havelock Community Centre
- Elson Community Library and Hub
- Lordswood Residents and Community Association



Providing Resilient Wastewater Services in Hampshire

Appendix



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Future Growth working with Planning Authorities

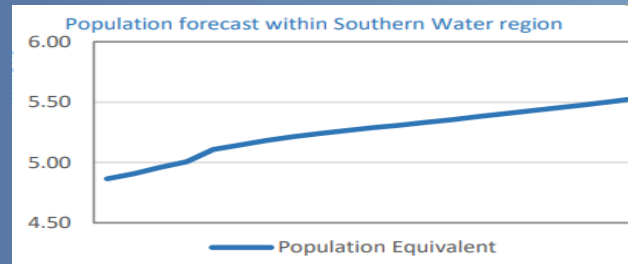
Long term (beyond 10 years) Sustainable Development

- Drawing shared information into longer-term views of growth
- Reflecting on and developing our collaborative working to find more sustainable solutions approaches, less dependent on infrastructure and adding natural capital value
- Place Making and incentivising sustainable options



Medium Term (5 to 10 years) Local Planning Policy

- Assessing the impact of Local Plan proposals
- Feeding constraints back to our planning colleagues
- Providing input to local plans
- Feeding LPA growth data into our 5-year investment cycles (eg DWMP the outcomes of which inform investment proposals in 5-year business plans)



Short term (2 to 5 years) Planning Consultations

- Assessing the impact of planning applications on the Southern Water network
- Identifying where local reinforcement may be required
- Tracking developments and their build out rates, working with developers to closely align.



*See Appendix 1 as required for 'Using the planning process to support upgrades to our infrastructure'