Your Water, Your Say November 2023 - Event Write Up

Introduction

This document provides a write up to the November event with questions and answers provided.

The second Southern Water Your water, your say public meeting was held on Monday 27th November from 6pm.

It was hosted by Kevin Johnson, independent chair appointed by Ofwat and supported by other members of Ofwat and the Council for Consumer Water (CCW).

Live questions were asked for under 4 categories:

- Reliable supply of water
- 2. Wastewater services and storm overflows
- 3. Environment and net zero concerns
- 4. Affordable bills and customer services

Southern Water was represented by:

- Lawrence Gosden, Chief Executive Officer
- Bob Collington, Managing Director of Wastewater
- Stuart Ledger, Chief Financial Officer
- Katy Taylor, Chief Customer Officer

A total of 165 participants joined the session representing customers and regional community and special interest groups (link to presentations: <u>Your water, your say (southernwater.co.uk)</u>.

While questions were invited in advance, additional questions were received via the Teams Chat facility. This document provides responses to the questions received. Where a number of questions were similar, a common answer has been provided rather than addressing each question individually.

Additionally, where specific information was requested and Southern Water agreed to provide direct follow up, this has been noted.

An earlier Your water, your say public meeting was held on Friday 9th June. Questions and answers from both Your water, your say sessions and the presentations are all available on Southern Water's website - https://www.southernwater.co.uk/our-story/our-plans/your-water-your-say



1. Reliable supply of water

LIVE Question: How can you justify the bill increases coming from where you are coming from? In addition, how can you reassure customers you have the right plan, and they should put their trust in you now?

Response:

- Our past is unacceptable, and our new executive team is in place to turn the company around
 we are not where we want to be
- We set out a clear turnaround plan last April. A public update is due very shortly on our progress
- It's a huge task and for all of us it's a huge step into this difficult space but water matters and it's important that we share progress
- The turnaround plan is for two years of intense activity and in that two-year period we would have made significant improvements not in every metric but materially on reducing pollutions, improving environmental performance, improving the reliability of water supply, improving customer service and improving health and safety – all of these areas are critical
- We then need to orientate the business with dealing with the big topics like climate change, population growth and ensuring water supply is here for the long term – significant infrastructure required on both sides of the business (water and waste) to meet these demands
- On the wastewater side of the business we have, significant work programmes planned on reducing nutrients and reducing storm overflows which have met huge public campaigning specifically over the past 18 months
- This plan (2025-2030) is the one that builds on the turnaround of the company (turnaround plan is paid for by shareholders), getting the company back on track and then setting out a large plan on what the company needs to get ahead of for some of these huge topics facing the industry.

LIVE Question: Assuming it's the right plan and it's affordable - are you sure you can deliver this considering the challenges you will face from a supply chain deliverability perspective and skills and talent you will need to put it into effect?

- The answer is a confident yes and the reasons behind this are:
 - The size and scale of our current capital programme has increased year on year and by the time we conclude in 2025 we will be very close to the run rate that will be required to deliver big capital projects going into this next period from 2025 – 2030, so we're pretty close to that level of run rate as we've ramped the business up over the past 2-3 years
 - We are in the closing stages of completing all of our procurement for all of our supply chain, so this is contractors, suppliers, manufacturers that will be revved up and ready to deliver this huge plan. They will be ready and complete by April time so that's a full year ahead of when we need to start doing work.
 - So those two big evidence points are really important in terms of how we're getting ourselves up and ready.
 - The third point is really about how we are looking to solve topics and really important issues like combined sewer overflows by using natural capital solutions and dealing with the root cause of overflows which is surface water and rainfall. To deal with these we are working in partnership with local authorities, and we are building partnership organisations that actually enables all of that rain water to naturally and safely return to the environment through swales, drainage ditches and



areas that can actually enhance local community rather than going into a sewer pipe and overflowing which only causes pollution

 The supply chain to do those green style solutions are a big part of our plan and we are already setting these partnerships up right across the region.

LIVE Question: There is heap loads of evidence that we have our drinking water and water ways contaminated with a very toxic cocktail of forever chemicals from pesticides, industry, pharmaceutical drugs, and recreational drug residues in our water. This is a massive problem because it's constant, its pervasive, it's not just temporary events and there was no mention of this in your report/plan. How are you going to deal with this?

Response:

- We are investing 320 million pounds over the next 5 years to upgrade our 4 largest treatment works. This is to ensure that they have the very best treatment technology. The key investment in our drinking water treatment plants will help secure good water quality for the future
- We work constantly with the Drinking Water Inspectorate (DWI) to both assess new risks to
 the environment, to understand how we manage the catchment as a totality and all of the
 contributing sources of contaminants into our catchment and then ensure that our treatment
 processes are designed to meet those challenges.
- 99.97% of all the samples that we take meet the UK drinking water standards and the UK's
 water is amongst the top 3 in the world but we don't take anything for granted which is why
 we need to make that significant investment in our treatment plants to ensure that they are
 not only fit for the future but they have the level of resilience that they need to deliver safe
 drinking water to our customers every day of the year.

LIVE Question: Who decides what is an acceptable level of this cocktail of toxic stuff in the water? Where is the regulation coming from and the scientific judgments on this?

Response:

• The Drinking Water Inspectorate (DWI) in the UK decides what the acceptable levels are and all of the companies work with the inspectorate to participate in studies, to do research and to work with the officers to determine what the best outcome is. At the end of the day the DWI is the regulator for the UK, they decide what the standard should be and all the companies then have to adjust their treatment processes to meet those standards.

LIVE Question: I recently saw a presentation on an aquifer project, this raised serious concerns about pollution to our main source of drinking water due to road surface pollution – there doesn't seem to be any mention of this in Southern Water's business plan or long-term strategy. Where in the business plan does Southern Water describe what it is going to do to address everyday pollution from road surface run off and chalk aquifers?

- All of our chalk aquifers are monitored on a weekly basis, so we constantly take in drinking
 water samples to ensure that those sites are not polluted and the treatment technology that
 exists at each individual location is tailored to meet the standards for the individual sites
- We produce every year a drinking water safety plan which we update monthly with any new information that might come from the monitoring that we do, that might come from new sources of pollutants or issues that are found at those sites
- We work with our water quality team and the DWI to ensure that the treatment standards and the processes that we employ at those sites fully meet the drinking water regulations at



all times. It is a continuous process, we're always monitoring what's happening in our underground sites as well the sites that provide our drinking water and we are continually adjusting our treatment processes to ensure that we meet those standards at all times.

LIVE Question: What is the purpose of posting a report/business plan online if there is important text and photos redacted?

Response:

- Transparency is one of the most significant ways in which we are going to start step by step
 rebuild trust with our customers it is unbelievably important to that single mission to
 regain that position and it's going to take time
- Typically, we will only be redacting address details or customer information on reports that
 are published but if we can be told exactly where this specific example is from, we can look
 into this and remove the redaction as long as it does not include personal information or
 address details
- Commitment made to review the example of redacted information to see if we can release the information to the customer.

LIVE Question: Water neutrality is a massive issue for us here in West Sussex – is the plan realistic and we have concerns about the degree of trust going into water recycling as an untested solution in the UK. How confident are we of that and do we have any back-up plans?

Response:

- Water neutrality is there because it is imposed because there is not enough water in the environment full stop to cater for long term climate change and for population growth
- It isn't about us drilling new bore holes or creating a new water supply plant that can take more water from a river which is not leaving enough water in the natural environment to sustain things in the long term
- Water recycling is the only real option as desalination is the only other option —we can't
 take more water from the environment which is absolutely right because we need to sustain
 the natural environment, so we are nurturing that and looking after some of the precious
 rivers and chalk rivers we have in our region
- We have to get water from a different source with the two options being desalination or
 water recycling we put into supply 570 million litres of water a day but we treat and
 recycle over 1,200 million litres of water which is put back into the environment so you can
 see that we just need to turn some of that water that we are treating through our
 wastewater treatment works and process it through recycling plants and turn it back into
 drinking water
- The technology is robust and is used everywhere else around the world, it's just not used in the UK and we haven't needed to use it because over the past 30 years in our region we have reduced the amount of water that we take from the environment (leakage reduction/metering)
- There will be a number of water recycling plants across the UK in the next 10-15 years.

LIVE Question: Southern Water plans to reduce leaks and save 64 mega litres per day by 2045 that's 5 years ahead of the current government target date. Why is the company not setting a more ambitious target over the next 20 years?

Response:

• The company made a big commitment in the previous price review to reduce leakage by 15% by 2025 and then to halve it by 2050 and we are on track to deliver that outcome



- Our plan involves placing 7,000 acoustic detectors onto our network, to use smart technology to better identify where the network is leaking and we plan to fix more than 22,000 leaks a year
- We have bought some of our team in house and we are using satellite technology to try and spot leaks but a big part of our plan is to renew our network which will help with the background level of water we are losing
- We are planning to renew over 400 kilometres of our pipes between 2025 and 2030 and that will make a significant difference
- We are one of the lowest in the industry for leakage but we need to go further.

LIVE Question: Phosphate is a major problem on our iconic chalk streams. It's everywhere in Southern England in particular and we have unusually high levels of phosphate. In your plan you have to reduce the phosphate in sewage by 80% by 2038. On one side, phosphate is being put into water supply everyday. You continue to use phosphate for 'additional safeguards'. But the reduction of lead pipes means it's not now necessary. You need to revisit this problem as adding phosphate into your water supplies is not the right way for the environment.

Response:

- Lead removal programme has been a key feature of work since privatisation
- Drinking water standard for lead reduced a few years ago. Companies need to work hard to meet those standards and we continue to replace lead pipes which will eventually reduce the need for phosphate at our treatment works
- We are not the only source. There are many sources from other areas in the environment, which is why we're reducing phosphate that has been discharged by our treatment works by 80% by 2038.

LIVE Question: How do customers apply to get on water resource panels to influence decisions for future plans?

Response:

- We have thousands of customers on a number of panels
- We recruit thousands of customers to take part in research and form part of panels that help in evaluating options, such as future water resources
- Usually, these are recruited from independent and accredited market research agencies and ensure they reflect the views and demographics of our customers
- If you want to take part, please reply to the email that sent the details to join this meeting, and we can ensure to pass your details across to the research agencies we work with.
- You can find out more details on the process for engagement as part of the 2025-2030 business plan review for all companies here: <u>2024 price review - Ofwat</u>

Online question: I would like to ask about applying for funding that Southern Water provides for groups working with local communities and stakeholders, and how to get in touch with the team that manages this work. We are a group based in East Sussex looking to develop our work and engage people in issues and awareness around water in our community and area along the Medway river.

Response:

Private response has been provided to this customer as the nominations for this year close on 11th December. However, information for anyone wishing to submit a nomination can be found here:



Our website here has all the details you should need to nominate: https://www.southernwater.co.uk/water-for-life/community/customer-and-community-grants

Online question: I asked a question at the event this evening for Southern Water. Katy typed in a response; We recruit thousands of customers to take part in research and form part of panels that help in evaluating options, such as future water resources. Usually, these are recruited from independent and accredited market research agencies - and ensure they reflect the views and demographics of our customers. If you want to take part, please reply to the email that sent the details to join this meeting, and we can ensure to pass your details across to the research agencies we work with.

My question did not relate to one off customer surveys/ market research. Southern Water should have a stakeholder / customer panel that reviews options for water resources as part of the 5 yearly cycle of WRMP development. What is the process for joining that panel? I could not find any information on the Southern Water website.

Response:

• There are a number of stakeholder groups which are used for specific projects. These groups are ongoing. We also run webinars and local engagement events throughout the planning process. Additionally we work with challenge groups with expert stakeholders - such as our Independent Climate & Environment Group or Customer & Communities Challenge Group. If you are interested in joining any of these groups, it is best to email the following inbox and explain your interest, expertise and which area you are from stakeholderteam@southernwater.co.uk

Online question: Southern Water has indicated that 20MI/day (8 Olympic size pools) of mixed recycled water will be pumped from the reservoir at Havant to the Otterbourne Water Treatment Works every day of the year. Can SW confirm the geographical extent of the area of Southern Hampshire where customers will receive that water at their taps; Routinely every day under their typical operating regime for the Otterbourne works, and the maximum geographical area that can receive that water under other operating regimes. For example, I am a SW customer in Warsash, will I receive the water? It would be acceptable for a verbal description to be provided by SW at the event if it is too late for them to produce a map, but it would be helpful if a map could be provided as an output from the question/ answers showing the area over which the recycled water can be distributed to customers.

Response:

- Under the proposed Hampshire Water Transfer and Water Recycling Project, the majority
 of Southern Water's customers in Hampshire would receive recycled water as part of their
 drinking water supply.
- Southern Water currently has plans for three other water recycling plants in its region, including in Sussex, Kent and the Isle of Wight.
- Water recycling is a safe, established method of water treatment that is already used elsewhere around the world.
- Further information on Southern Water's water recycling projects can be found here: https://www.southernwater.co.uk/our-story/our-plans/water-recycling-hub

Online question: Given climate change predictions for more intense rainfall, as well as drought, what work has been done to investigate ways that this can be harvested and used?



- Water companies submit their updated Water Resources Management Plans (WRMPs)
 every five years to set out how they intend to maintain the balance of supply and demand in
 their supply area over the course of a number of decades. In doing so, we explore a range
 of options both demand-side interventions, such as reducing leakage and how much
 water people typically use, and water supply schemes such as new reservoirs, desalination
 plants and water recycling. All options undergo a robust and rigorous options appraisal
 process, during which they are assessed against a host of criteria to determine the best
 performing options.
- Further information on Southern Water's 2024 Draft Water Resource Management Plan can be found here: https://www.southernwater.co.uk/our-story/water-resources-management-plan

Online question: I live in the Havant Area and I want to understand the differences between my current water supply (Portsmouth water) and recycled final effluent subsequently treated. My fear is that (notwithstanding mandatory water purity standards will be met) will I see a reduction in drinking water quality?

Response:

- All water supplied to customers will continue to meet strict drinking water quality standards and be wholesome to drink.
- Water recycling is a safe, established method of water treatment that is already used elsewhere around the world. We're working with a range of international experts, our regulators and environmental organisations to develop our plans.
- Further information on Southern Water's water recycling projects can be found here: https://www.southernwater.co.uk/our-story/our-plans/water-recycling-hub

Online question: In the summer periods of low rainfall Havant Thicket reservoir will have a higher concentration of recycled sewage in it prior to treatment. Does Southern Water know if its water treatment process will cope with these high levels of recycled effluent? Are there any functional issues with treatment plants treating this resource?

Response:

- Recycled water is purified water that is cleaner than the spring water that would also feed
 into the Havant Thicket Reservoir. Treatment processes at Otterbourne Water Supply
 Works are being enlarged and enhanced to process the additional amount of water from
 the reservoir that would be treated there should the plans be approved.
- Water recycling is a safe, established method of water treatment that is already used elsewhere around the world. We're working with a range of international experts, our regulators and environmental organisations to develop our plans.
- Further information on Southern Water's water recycling projects can be found here: https://www.southernwater.co.uk/our-story/our-plans/water-recycling-hub

Online question: Will my drinking water derived from recycled sewage taste different depending on the time of year given higher dilutions of recycled sewage will be in the water supply during summer months and higher concentrations of naturally resourced water in the wet season?

- Recycled water is purified water that is cleaner than the spring water that would also feed into the Havant Thicket Reservoir.
- Just like water across the country has its own distinct taste influenced by the geology of the local area, the water taken from the reservoir may taste different from existing supplies due



to the change in source (if the Hampshire Water Transfer and Water Recycling Project is approved). The reservoir whilst open to the environment (soil, plants, wildlife) may also influence a change in taste from existing supplies. This water will, of course, continue to meet strict drinking water quality standards and be wholesome to drink.

- Water recycling is a safe, established method of water treatment that is already used elsewhere around the world. We're working with a range of international experts, our regulators and environmental organisations to develop our plans.
- Further information on Southern Water's water recycling projects can be found here: https://www.southernwater.co.uk/our-story/our-plans/water-recycling-hub

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Online question: The Hampshire Water Recycling Scheme timetable for delivery has been put back to 2035. In the interim Southern Water plan to continue to use drought permits on the River Itchen & Test which is not acceptable. Can SW provide an assurance that they are now urgently prioritising the investigation of more sustainable solutions, including aquifer storage options already identified by them, to develop smaller schemes that could plug the gap in supply from 2030 to 2035 on a twin track basis?

Response:

- Water recycling has been selected as the most sustainable way of securing up to an additional 90 million litres of water a day in Hampshire that's not taken from the environment.
- We are working with our regulators to explore what mitigations could be deployed to reduce impact on the environment should a drought order or drought permit be required.
- Alongside the Hampshire Water Transfer and Water Recycling Project, we are working hard to reduce leakage and improve water efficiency.
- Further information on our 2024 Draft Water Resource Management Plan can be found here: https://www.southernwater.co.uk/our-story/water-resources-management-plan/our-draft-water-resources-management-plan

Online question: How confident are Southern Water that SESRO will be completed by 2040? And how will Southern Water be able to surrender all of its drought permits and orders by 2040 (except in a 1:500 year drought) if SESRO has not yet been delivered? What is the plan b?

Response:

 Southern Water advises that questions on the delivery of SESRO should be directed to Thames Water.

Online question: Why is there a four year delay between Havant Thicket Reservoir being completed and Havant Water Transfer & Water Recycling Project (HWTWRP) coming online?

- The Havant Thicket Reservoir project already has planning consent, and works on site
 have already commenced. The Hampshire Water Transfer and Water Recycling Project still
 has yet to go through the consenting process and includes the construction of a water
 recycling plant and a 40km pipeline.
- 2. Wastewater services and storm overflows



LIVE Question: Detailed plans of plans to improve the Bexhill and Hastings Wastewater Treatment Centre and system – we welcome the proposed investment but it is extremely short on detail, it only states about excess rainwater. The treatment plan is not able to deal with the capacity with the current population. When are we going to see the detail of the plan in this area and reduction of CSO discharges?

Response:

- We are building more treatment works capacity with phase 1 concluding next year but we have to keep doing it to keep pace with growing population
- Prioritising our work on overflows is done by environmental designation, bathing waters and shellfish waters between the period now and 2035
- This plan that you have here is the first step of a two part plan that gets us to that 2035 period where you will see an 80% reduction in overflows during the bathing season
- There is £700 million of investment in this plan and we have included an extra £200 million to accelerate some of the work on bathing waters because it's so critical to our customers

LIVE Question: There is a sheer volume of sewage outfall recorded nationally and Southern Water's part of that. River quality is a massive issue in Hampshire with the chalk streams. I believe there is a recent finding from the high court that the Government policy to river pollution is unlawful with a time frame until 2063 to put rivers back into good order. How can we have confidence given that overall context? How can these plans (Business plans) make a reasonable difference within a reasonable time frame?

Response:

- Overflows are not something just for the UK. This is how sewage systems work across the
 world. The UK is one of the first to start measuring them and that's to understand how
 frequently they release and put in the plans to address overflows
 - Europe as a comparator isn't measuring them at all and there are overflows across all of Europe. Overflows are a release valve to protect homes from flooding, and that is how the sewage system works.
- 30 years ago right along the South Coast, there was no sewage treatment. Sewage was going into the sea everyday all day long. We have built treatment plants all across the South East in the last 30 years costing around £10bn
 - The percentage of wastewater treated from homes and businesses is on average 95%. Before it was 40-50% for the whole region, and the coast in many places it was zero. We now have to fix the last 5%
 - That last 5% combines with large volumes of rainfall
- We have just started measuring this over the last few years and now we have to fix it.
 - Southern Water has on average 18 spills per overflow. There are areas in the country operating at an average of over 60
 - We do have beautiful coastline and rivers and we (Southern Water) need to play our part
- This plan is the first part of fixing overflows and we plan to do this by splitting out the surface water rather than just building big storage tanks
 - Because if you just build big tanks in 10 years you'll need more
- So we're addressing the root cause now to be a longer term sustainable solution
 - We're splitting out the surface water and directing it to aquifers and rivers as clean rainfall rather than into sewers and then into overflows.

LIVE Question: Over the years Southern Water are seen to be the 'baddies' but our regulators are part of this too. In the plan the aim is to reduce the number of spills, but what is the relationship between volumes and durations. A spill can be a short or long spill. So



going from say '50 to 10' spills could be a greater volume than you had to start with. Where are the other key performance measures on volume and duration?

Response:

- (Reminder Ofwat will be consulting with public meetings like this next year)
- Volumes and durations get to the main issue and make sure you're getting to the improvement
- With the equipment we have across the 1,000 overflows every single one has a monitor.
 One or two are left to be installed, but 100% will be done by the end of 2023
- The monitors only measure whether there has been a spill and duration they can't do volume
- We have models of our entire sewage network but it takes a bit of time, so in real time measurement we can't do volume of at the moment
- We are doing modelling as part of the work to reduce overflows
- If there is an overflow every 12 or 24 hours it counts as an overflow (how this categorised can be found on the link below:
- Water companies: environmental permits for storm overflows and emergency overflows - GOV.UK (www.gov.uk)
- So nothing goes over a day and every day would count as another spill

LIVE Question: CSOs are important but sewage has been bubbling up into the streets on the peninsula for years. Regularly reported to Southern Water and we get reference numbers, but don't hear anything. Southern Water says there are no problems in the Pagham catchment, and this is wrong. No investment done in the last 10 years and don't believe in the next AMP there are any plans for the next 5 years. Are we going to have sewage bubbling up for the next 15 years? Are customers listened to when they are reporting problems?

Response:

- Sorry there are repeated issues and they have not been dealt with. We do follow up with
 customers on repeated issues, there is a specific log that is looked at every month. And we
 recognise we don't always get it right first time and are trying to do that
- In Pagham we do have additional capacity going in there and work is happening. You can find more detail about work across the region here: Improvements In Your Area - Southern Water
- If someone needs to look at this, we can take this away and come back
- We do try and follow up and we do look and study all those repeat contacts. We do
 recognise that the service hasn't been good enough and we are trying to do better
- Commitment to email the Consumer Council for Water (CCW) to follow up on.

LIVE Question: We know how bad the river (Itchen) water quality is as we have been testing weekly in the summer. Southern Water is spending £63m on wastewater treatment plants discharging into Southampton water which is a designated Shellfish area. This is to improve storm overflow holding and tertiary sewage treatment. There are no plans for the Portswood Treatment plant which discharges in Southampton Water. Why is shellfish more important than the health of the people taking part in water contact sports/swimming in the estuary?

Response:

People's health is just as important. We take ethics very seriously in the business



- Our CSO plan goes above and beyond the regulatory requirement because we recognise there are other sensitive areas that are important to our customers
- We have added additional investment to do those areas ahead of others
- It is imperative we meet all our requirements at all times, so that is the plan we have put forward
- For Portswood, there are improvement plans and if you visit <u>southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map</u> you will be able to see all the outflows for your area and the timing of these investments
- We do not want anyone who swims in the sea to have a bad experience or be ill, nor to damage the environment. It is not one or the other – they are both equally important.

LIVE Question: (West Wight Area) we have sewage onto our common and combined sewer overflows which regular discharge huge volumes into protected areas and our bathing waters. What short term mitigation measures can be taken as well as water butts? (for example antiflow measures and devices). Will Southern Water, where there is a persistent back up of sewage into homes, look into these to stop the back-up occurring?

Response:

- Water butts on their own are just one of a series of countermeasures to remove excess surface water from the system. E.g. additional water planters have been demonstrated to be highly effective
- It is an 'area by area' situation
- Anti-flood devices are used across the network. If there is a persistent problem we will
 consider these once the survey work is completed.
 - Commitment to provide more detailed response, especially on how customers would sign up/get this help.
 - If customers are experiencing flooding, then there is support that is offered by Southern Water. Details on this can be found here:
 - Sewer flooding (southernwater.co.uk)

LIVE Question: I live near a pumping station in Yarmouth that is leaking into a site of special scientific interest next to a public swimming beach and Southern Water have known about this, as the facility basically gets overwhelmed in storm water. It's not a discharge site it pumps to another station and currently the footpaths are closed round there whilst Southern Water deal with it. I understand from the Environment Agency you've agreed to put an action plan together for this site and I'd like to know how I get a copy of that action plan so I can see what you're doing and check you're doing what you say?

- We have a significant plan of investment to reduce overflows into the environment in our plan and we are going further than the regulations state – we've added additional investment to cover locations that were not previously planned to be dealt with purely within the environmental regulations.
- We've done a huge amount of work on the Isle of Wight already and we are carrying on in
 the island looking at ways to reduce the amount of water that gets into the pipes. We've
 done a significant amount of work in parts of the island with green solutions, water butts
 and water planters to try and reduce the amount of water that gets into the pipes to stop the
 sites from being overwhelmed with surface water when it rains significantly on the island –
 it's a much bigger part of an all-encompassing solution that we're working on
- We've had really good success in a few places on the island and we have a specialist team
 who are there full time looking at different options and green options so we can actually



remove the water and not necessarily have to build big bits of concrete infrastructure to solve the problem.

 Commitment made to the customer to provide a copy of the action plan and the information requested.

LIVE Question: Seaview Village on the Isle of Wight has extensive beaches and harbouring areas – the outfalls in this area were shortened in 1999 to a third of their original length. The outfalls discharge far too often onto the very beaches above the low tide mark, where families and children play and swim for most of the year, yet they do not feature in the Isle of Wight expenditure plan for the next 5 years. How will this be sorted out in a timely manner?

Response:

- In the 25 year plan our treatment works upgrades which is included in our improvement plan on our website and you can see site by site exactly what's planned for your beach, when it's planned and when it will feature in our investment schedule
- Our ambition and our plan is to tackle this as one issue in the next 25 years and we are having to prioritise by shellfish sites and critical bathing waters in the next 5 years and as part of that plan we are going to reduce overflows in those areas by 50% to 3,000 spills per (5 year period). (i.e. comparing 2020-2025 and 2025-2030).
- You can see the plans on your specific area on our website.
- Southern Water posted a link in the chat: <u>southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map</u> you

LIVE Question: It states on the website that because Seaview has less that ten spills a year they are not included on the map on the website, however, there have already been 9 this month from one outfall. Why is this?

Response:

In the records we have Seaview meets the current government guidance we have but part
of the launch of this plan is to gauge feedback because if you have different information,
please write that into the portal and we will look at every single point and this will help us
finalise the plan over the next few months.

LIVE Question: Nutbourne Combined Sewer Overflow in Chichester and flooding from manholes in Farm Lane downstream. These problems are considered too minor for Southern Water to spend any money on – why?

- Any pollution is unacceptable and is a top priority
- This involves us looking at our network, identifying where the restrictions are and where the capacity challenges are
- Excess rainwater is one of the biggest challenges for overflows and spills from the network but the other big challenge is blockages so when people dispose of cooking oil down taps, flush wet wipes, etc – that is a number one cause of hard blockages in our network. This causes the level of the sewer to back-up and leak from manholes – we spend a significant amount of money every year unblocking our network and educating our customers in good practice on how to dispose of items and cooking oil.



Online question: Sewage leaking into our rivers and the seas. What action is being taken by Southern Water to prevent this situation and what action will be taken by Southern Water against the Directors and C.E.O. who have allowed this to happen n their watch?

Response:

Full information on the plans to tackle each overflows is available here: southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map.

Online question: What work is being done to educate/inform and therefore change wrong drain connections in residential homes and are there any statistics for how much these misconnections contribute towards environmental pollution?

Response:

- We're committed to protecting these coastal waters to ensure they remain of the highest quality. That's why we spend £180,000 a year to fund the work of our s Misconnections team. They exist solely to trace and tackle misconnected properties in our region – particularly near bathing water locations.
- The team uses a host of techniques, including installing cages to check what's flowing through our surface water sewers. If local properties are connected correctly, these cages should only catch things like leaves or debris from roads. If they contain evidence of toilet or washing machine residue, we know a misconnection needs to be investigated.
- The team then sets to work tracing the pollution to its source. Once the property is identified, they'll work with the owner to solve the issue and will return to check action has been taken. If they find the problem is unresolved, they can escalate the matter to local authority to take enforcement steps enforcement action. That's how serious misconnections can be.

Online question: How is the waste water measured from my flat? How do I know if I am being charged fairly? I feel I am being charged twice for the water, once for the supply to Portsmouth Water, the other for the waste of the same water to Southern Water. i.e.- The water I boiled in the kettle, I pay for the supply and I have to pay for the one left over

Response:

- We share almost 300,000 customers with Portsmouth Water in the Portsmouth and Havant area. Portsmouth Water provides us with all the information we need to bill your metered wastewater charges.
- For full details on how your wastewater measured you can click on this link: https://www.southernwater.co.uk/account/wastewater-only-bills
- This allows you to look at the information specifically for your area so you can click on the drop down for Portsmouth Water to understand how the charges are calculated.

Online question: What can you tell me about the amount of sewage water release that has taken place by SES water in the Surrey area?

- SES do not provide sewage services they are clean water only providers. SES customers have their wastewater provided by Thames Water or Southern Water.
- Flow information is published here: https://www.southernwater.co.uk/our-performance/environmental-performance/flow-and-spill-reporting
- Our regional plan shows the plans for specific overflows used, so you can see information for your area here: southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map



Online question: What is Southern Water doing to protect our rivers, streams and seas from the rising sewage levels?

Response:

- The Clean Rivers and Seas Task Force is responsible for finding new, innovative and nature-based solutions to reduce storm overflows. We're spending £35m before March 2025 to achieve this, and the team are already delivering in all six of our Pathfinder areas.
- It's critical that the industry finds better ways to manage the rainwater and groundwater that enters the network, which is the leading cause of storm overflows. We're already seeing results, and have built a regional plan to reduce storm overflows for good.
- Link 1: southernwater.co.uk/our-performance/storm-overflows/clean-rivers-and-seas-taskforce
- Link 2: southernwater.co.uk/our-performance/storm-overflows
- Link 3: southernwater.co.uk/our-performance/storm-overflows/pathfinder-projects
- Link 4: southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map

Online question: With more houses being built in our area does this mean that there will be even more sewerage being discharged into the sea?

Response:

- New builds generally don't contribute to storm overflows as modern systems should have
 one pipe for foul and one for surface water. The surface water pipe releases rainwater back
 to the environment. Separate sewer systems have been built in the UK since the 1960s –
 before this, the sewers were combined.
- That being said, we have no legal powers to prevent new connections being made to
 existing combined sewers. To combat this, our team seek out misconnections and ask
 permission from the landowner to correct them.
- Link 1: southernwater.co.uk/our-performance/storm-overflows
- Link 2: southernwater.co.uk/the-news-room/the-media-centre/2022/april/misconnections-an-invisible-threat-to-our-local-waterways

Online question: In section 2.2.3 you state goals to 'Deliver average <10 spills per overflow by 2050 (80% reduction), reduce bathing water pollution to excellent standard and <2 spills per season, to protect shellfish waters by <10 spills per annum, deliver 100% WPS permit compliance by 2028, and reduce phosphorous load by 80% by 2038'.

Q/Those goals only talk of reducing spill by number. I cannot see anywhere in the Plan the other critically important key performance indicators needed to put these goals into proper perspective such as duration in time (hours) and volume in amount (m3 or litres) in a spill or total spills combined per overflow. Where are those KPIs?

- Targets are set by the regulators and outlines in the Government's Storm Overflows
 Discharge Reduction Plan. In this, targets include the 10 releases per year and don't focus
 on the volumetric or duration data.
- The way in which storm releases are counted is defined by the Environment Agency's guidance. For bathing waters, we are instructed to use what is called the 12/24 counting method for our release reporting to the EA.
- The method is as follows:
- 1. Start counting when the first release occurs.
- 2. Any discharge (or discharges) in the first 12-hour block are counted as one release.



- 3. Any releases(s) in the next, and subsequent 24-hour blocks, are each counted as one additional release per block.
- 4. Continue counting until there's a 24-hour block with no releases.
- 5. After 24 hours without a release, we begin again with the 12-hour and 24-hour block release counting sequence.

Online question: Given the recent planning application for 300 houses by 2025 at Highgrove farm Bosham exceeds the stated spare capacity by 130 houses, will the excess just be dumped in the harbour or do you have other plans prior to 2025?

Response:

- Our current proposal for Bosham forms part of our plans for the three harbours. These will be considered as part of our PR24 investment criteria.
- The current plan isn't deferred and involves building a wetland as part of our drive to reduce storm overflows. This requires approval by our regulator.

Online question: You recently appointed Adam Wilde to Island Customer Services and he made a great start. But he has become swamped by being asked to fill in for an absent colleague, the Network Manager, which is clearly outside his remit and probably skill set and means you have no real Customer contact here. We need that fixed immediately please. You have removed from your Beachbuoy App the longer term history table that used to show against each single CSO. This was replaced by very complex data in CSV or other files which are totally unfriendly for 'normal' users to extract. I have already asked Luke Hyttner [at Southern Water] to address this, but he did not sound optimistic

Response:

 Adam is the Customer and Stakeholder Manager for the Isle of Wight. This customer's comments have been addressed directly with him. The statement about Beachbuoy is incorrect, no data has been removed from the history data and all changes are made in collaboration with the Beachbuoy Working Group.

Online question: I attended this evening's Southern Water online meeting. As recommended, I'm emailing to request detailed information about the plans for improving water services in my area: West Cowes, Isle of Wight. Your infographic states a plan to reduce pollution incidents by 50% by 2030, in high incident areas. I live in one of those areas (Number 1 for dry spills Oct21-Sept22). What are the specific actions that will be taken to reduce the spills? During the meeting you shared this link. Unfortunately, this does not give detailed information. Also, the legend does not match the 'zoom in' information given for specific points. Please tell me where I can access detailed information about local water improvement plans.

- Some location pins have more than one outfall, you can click the left and right arrows in the popup to switch between outfalls. The pin colour will default to the outfall that has work starting the soonest.
- We've recently rectified a sharp bend in pipework that was causing flow issues in Cowes, which should dramatically reduce storm overflows from the local outfall.
- We've installed a one-way flap valve at the Market Hill storm overflow in Cowes to prevent seawater coming back up through the pipe and taking up space in the sewer system.
- We're offering free slow-drain water butts to residents to help manage excess water. Our pilot project in Havenstreet saw a 70% reduction in releases from the local overflow.



- We're finding misconnections to the sewer system and seeking landowner permission to fix them
- We're investigating highway drainage schemes in partnership with the local council to manage rainwater run-off from roads.
- Link 1: southernwater.co.uk/media/9053/how-to-make-a-slow-drain-water-butt.pdf
- Link 2: southernwater.co.uk/media/9141/havenstreet-case-study-2.pdf
- Link 3: southernwater.co.uk/the-news-room/the-media-centre/2022/april/misconnections-an-invisible-threat-to-our-local-waterways

Online question: Why does Southern Water on its interactive map not give detail on the rationale for no investment other than the 10 discharges per year? Why does it not give more detail on each outfall site?

Response:

- Each green pin indicates that the Govt's targets are being met. The map contains a link to the Government's plan for customers to read, in the information pop up, opening pop up and in the FAQs with more information provided to the user in the latter. The current wording on each pin is: Work on this site currently not in scope. This is because the overflow does not release greater than 10 times per year on average, therefore already achieving the Government's target. We've prioritised overflows by targets set by our regulators and in the **Storm Overflows Discharge Reduction Plan** to first reduce the impact on shellfish waters, environmentally sensitive sites and bathing waters. However, we want to work with our communities to get this right, so we'll be gathering feedback from our customers to understand if the plan is going at the right speed and focusing on the right areas
- If you would like to provide feedback on the proposed plan, please complete our survey
- Link 1:
 - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_d ata/file/1101686/Storm_Overflows_Discharge_Reduction_Plan.pdf
- Link 2: https://www.warpsurveys.com/review?sid=fccd10f1-0445-4ae4-a196-bc79871bf34d&group=2

Online question: Lawrence stated that SW will reduce storm discharges by 80%. This would seem to be an empty promise as they have absolutely no quantitative data on current discharges. All SW need to do to meet this promise is to increase tons per hour when discharging. How will SW calculate this "80%"?

Response:

Out of almost 1,000 storm overflows in our region, 50% of these are already hitting the
government's 2050 targets, releasing 10 times or less a year. This new plan will be the
blueprint for how we'll address the remaining overflows. By 2035, 75% of our high priority
overflows will be meeting government targets, reducing spills by an average of 8,000 a
year, and by 2050 100% will meet these targets.

Online question: What are you doing about the quality of bathing water at St Mary's Bay, New Romney, Dymchurch and Camber. All have been graded poor again. Swimmers are unable to use the water and local business is suffering as no one wants to visit. Why has St Mary's bay got a no swim sign. The only beach in the country. I swim every day and this is a disgrace.



- Storm overflows can have an impact on water quality, however there are many other
 contributing factors including agricultural runoff, seabird and animal matter and marine
 activity. Any one of these factors on their own or paired with others can cause a drop in
 water quality.
- St Marys Bay: We have not had a storm overflow release here that impacted bathing water quality since July 2021.
- Dymchurch: No record of storm releases here at all.
- Camber: Planned works for Camber and the surrounding area are detailed in our Clean Rivers and Seas Plan.
- Link: https://www.southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map

Online question: Given the success of free "slow flow water butt" provision to some customers, in water stress areas, then why cannot these be provided to ALL customers in areas where stormwater overflow have to be used.

Response:

- First we must conclude our pilots though to understand where slow-drain water butts work, which customers adopt them and how do these compare against other slow-the-flow measures.
- We have proved that water butts can be successful, and thousands have been provided to customers in pilot areas
- During the 2025 2030 period we anticipate about 100,000 slow-the flow measures being provided as a key part of our Storm Overflow Reduction Plan
- Our intention is to focus on environmentally sensitive areas first such as those with shellfish and bathing waters.

Online question: What are you planning to do to ensure that nuisance odour from the Portswood WwTW is eliminated. Current enviro-suite system only has very limited success. The comparison with our neighbours at Woolston WwTW is a very clear contrast. Portswood stinks, Woolston doesn't.

Response:

- Odours from our Portswood site have been more noticeable due to a failure on of the site's centrifuges. This meant that the site was unable to process waste at a fast enough rate, so it had to be stored on site.
- A new centrifuge is in the process of being installed (Dec 2023) and the site will be operating as normal soon after.

Online question: I live in Bosham, right next to a storm overflow that discharges untreated sewage for 45 to 82 days per year as soon as the flow rate goes over 3100 m3/day. You say you plan to spend £4m here between 2025 and 2030 and use wetlands to reduce the CSOs here. Will the storm overflows now be piped into the new wetlands rather than directly into Chichester harbour?

- Our current proposal for Bosham forms part of our plans for the three harbours. These will be considered as part of our PR24 investment criteria.
- The current plan isn't deferred and involves building a wetland as part of our drive to reduce storm overflows. This requires approval by our regulator.
- Add link to plans in Bosham



Online question: Kindly explain why the excellent Pathfinder work being undertaken by SW team leaders Keith Herbert and Laura Moran on the Isle of Wight is restricted by such a tiny budget from SW HQ.

Our group FAECES (Fight Against Environmental Contamination of Estuaries and Seafronts) are pleased with the local Pathfinder team BUT we are horrified by the immediate lack of funding sufficient to achieve any significant improvements prior to the long term works not even planned to start until 2025 and 2030.

Response:

- We're trialling schemes across our region to find new innovative and sustainable ways to
 reduce storm overflows. Working with Ofwat. we've secured £35m additional funding to
 reduce overflows with a significant proportion allocated to the IoW. What we've learnt in the
 Pathfinder projects has supported our regional plan (Clean Rivers and Seas Plan). For the
 next Asset Management Period 2025-2030, we're prioritising IoW as one of the key areas,
 with over £230m funding from the £700m proposed in our business plan to reduce storm
 overflows.
- Link: https://www.southernwater.co.uk/water-for-life/clean-rivers-and-seas-plan/map
- The Pathfinder projects have been an incredible demonstration of how green and nature based solutions slow the flow and return water more naturally to the environment rather than it being lost into a sewer system that was never designed to handle the volumes of rain and surface water run-off.
- The Drainage Water Management Plan is a £7.7bn plan over the very long term. However it doesn't just deal with overflows, it also looks to tackle flooding and all the other aspects that can go wrong when a sewage system is not operating effectively.
- The investment gap is because the storm overflow element is a subset of the bigger plan.

Online question: I am in the city of Brighton & Hove, representing community group Hanover Action: towards a sustainable community, where we regularly experience urban water flooding, and our local Shoreham wastewater treatment works has "Too much rainwater getting into the network". We are running a public meeting on water issues in January 2024. Given the success of free provision of "slow-flow water butts" to some customers (Havenstreet, Isle of Wight), in water stress areas, then why cannot these be immediately provided to ALL customers in areas where stormwater overflows have to be used. It should be noted that we approached Southern Water around support for the public meeting noted above, on 10th November, and have not received a reply. Please could this be addressed/response provided?

- We are currently trialling different types of water butts in several areas slow-drain water butts on the Isle of Wight and Whitstable in Kent, and recently the additional 100 water butts in Hastings, and Smart water butts in Deal Kent. This is alongside different 'slow the flow measures' (e.g. raingarden planters, sustainable drainage systems) with schools and community groups. So far, they are proving successful, but we still need time to learn which type works, where it works and what the impact is. For example, the scheme we ran on the Isle of Wight in Havenstreet, reduced the local pumping station's storm overflow releases by 70% last year, but we are finding there has been some tampering of the devices so we need to tweak some of the design/installation. Until these trials are complete, we aren't able to roll out the scheme.
- It is however our intention to install suitable slow the flow measures into communities, as part of our AMP 8 plans.



Online question: As I understand it water butts are to be installed to slow down water into our drains by either "smart" release mechanisms or simply by drilling a hole in the butt to allow water to leak to ground. It is surely beyond absurd that a water company is beset with serious water supply problems so bad they want to recycle human waste and at the same time place millions of butts in the community and simply allow that water to waste into the ground. With c.30% of potable water supply being flushed down the toilet in most households why would Southern Water not invest in at least investigating flushing our toilets with rainwater stored in its butts rather than allowing it to simply sink into the ground?

Response:

- We have proved that water butts are phenomenally successful, and thousands have been provided to customers in pilot areas
- During the 2025 2030 period we anticipate about 100,000 being provided as a key part of our Storm Overflow Reduction Plan

Our intention is to focus on environmentally sensitive areas first such as those with shellfish and bathing waters

3. Environmental and net zero concerns

LIVE Question: (live near to Chichester harbour). There are plans to use wetlands. Will discharges go directly into wetlands rather than the harbour? How will the wetlands work?

Response:

- In the last couple of years we have invested in a new wetland at Havant. That has helped to reduce the number of spills
- The wetland is a natural way to absorb excess water that would otherwise pass into the environment
- There is a much bigger Chichester harbour project with stakeholders to look at a collective solution to all the overflows that go into the harbour. The team meets regularly and involves a range of stakeholders including Lawrence.

LIVE Question: Given the view that recycling is the only way to address water shortages. Climate change predictions are for more intensive rainfall as well as drought. What work has been done to harvest this rainfall so it can be used?

Response:

- Specific scenario for recycling is dry winters and dry summers. Especially dry winters. During winter is when we fill up reservoirs, aquifers etc. so we have plenty of water for the next year and summer
- In a dry winter we need new sources for the summer
- When it's raining or wet, then the new reservoir at Havant Thicket is there to collect this water and this is its use for normal circumstances

LIVE Question: Gosport's main asset are the seas. We also get localised flooding from storms. Most of the housing stock is a single system. Some of the newer stock is on two systems that separates foul and grey. I understand Southern Water are trying to identify the connections as it's useless if they then plug into a single pipe solution further down. What work is being done to identify and rectify these connections?



Response:

- Exactly the work done by the Clean Rivers and Seas Task Force Team. When they
 approach an area they do lots of investigation work to understand where all the sources
 and flows are coming from
- We do see a lot of work has been done to separate the foul and surface water, only for it to be combined back into a single pipe further downstream and this negates all the hard work from the first place
- This is usually there a reason for this as there is nowhere else for it to go, which is why it's plumbed back in
- The only effective way to combat this is to do lots and lots of individual point sources of surface water removal. This is what has been done on the Isle of Wight where whole estates have water butts to slow down the speed of which water enters the system
- This makes a huge difference; the combination of water butts on every single downpipe on large buildings (e.g. churches) where the roof has a large area and using water planters to take that flow from the system
- In the Gunard area it's taken an overflow that used to spill 62 times a year and reduce to a couple of spills per year
- This does take time to do the thorough investigation.

LIVE Question: We are asking for nature based solutions. We're concerned that the procurement needed for the skill set to understand the area and asset value for sustainable solutions isn't wide enough. You might need to use more local contracts. How will you manage that?

Response:

- We support the use of natural capital solutions
- The business plan will create 5,000 new jobs
- A number are in green skills territory. Skills about creating wetland, 'greening of streets'
- Our Independent Climate and Environment Group we will take them through a breakdown
 of the 5,000 new jobs and what skills are needed. This is so we can put together a training
 programme for building these new skills. We have about 18 months to get that into place
 and will be working to get this in place.

Online question: The Draft Business Plan gives an expected average combined bill of £690 per year. That is £1.89 per day, this is probably the best value for money of any utility bill that I pay, and probably too low to prevent the continued abuse of resources and sewer network by profligate and other users. Why is Southern Water so reluctant to charge the true value of the service they provide to households and thus delay progress in improving assets and environmental performance? For example for an additional £0.27 per day the planned NEP could be completed in 5yrs instead of 8.

- Southern Water has a duty to bring together all different views from regulators, stakeholder and customers on our plans. The plan we have put forward we believe best meets the needs from all of those groups from our extensive engagement and research on the 2025-2030 Plan.
- Whilst the cost to some is affordable, there are some customers who will struggle with even the smallest increase. There are also many customers that oppose a larger bill increase than the one that has been proposed in our plan.



Online question: What are the estimated CO2 emissions from the operation of the proposed effluent recycling plant in Havant, plus the daily pumping of water from Havant Thicket Reservoir to Otterbourne? How will these emissions be mitigated?

Response:

- Careful consideration of energy requirements and carbon emissions during the design and planning stages of the Project will help us manage, avoid and reduce emissions, where feasible (having regard to technical, environmental and other factors), during the construction and operational phases. These include consideration of emissions arising from energy and transport required to construct the project, as well as emissions arising from the treatment of recycled water (termed process emissions). We, and other water companies in the UK, have also committed to become carbon neutral by 2030. This promise was made under the industry body Water UK's Net Zero commitment and is part of our planning and solution development for Water for Life Hampshire.
- Further information on the CO2 emissions of the project will be available as the design development of the project progresses.
- Further information on Southern Water's Net Zero plan can be found here: Net Zero Plan (southernwater.co.uk)

Online question: So what is southern water doing to persuade government to adjust development rules to ensure excessive water is kept out of sewers, like permeable surfaces?

Response:

- Southern Water actively engages with all Local Planning Authorities (LPAs) on their Local Plans and Neighbourhood Planning activity to provide input on water and wastewater issues relevant to their area.
- We also invite LPAs to participate in the development of our Drainage and Wastewater Management Plans (DWMPs) and Water Resource Management Plans (WRMPS) to help them to understand our activity.
- The inclusion of Southern Water's input into the Local Plans is at the discretion of the LPAs
- We are continuously improving our engagement methods to ensure that there is an ongoing discussion and awareness of specific and emerging issues relating to the areas in which we operate.

4. Affordable bills and customer services

LIVE Question: Water bills are estimated to rise by 40% to meet your targets. Please confirm if senior management bonuses will be frozen or cut to reduce the impact to customers?

Response:

- Our bonuses are set through our remuneration committee. Bonuses are only received if performance is met. That is now and for the future
- We have to deliver what we set out in order for our bonuses to be paid.

LIVE Question: I would like to ask about applying for funding for groups working with local communities and stakeholders. How do you get in touch?

- There are different pots of funding for different groups. E.g.
 - o a business fund to help businesses reduce their usage
 - o Hardship Fund to help customers who are struggling and social tariff



- Our fund for community groups to help young people, communities be more cohesive and for the environment. This includes big charities and grants for smaller charities
- Every year we ask those charities to nominate themselves and we allocate that funding
- Link to website page: Customer and Community Grants (southernwater.co.uk)
- A commitment was made to provide a fuller answer to the individual.

LIVE Question: Why should customers be paying more? Why haven't improvements been made already? Our bills are already too high.

Response:

- We have investment from our shareholders. Over £2bn has come into the company. As
 well as discounts customers are receiving today because our performance commitments
 have not been met. In both these cases that is being paid for by shareholder money
- The shareholder money is getting us back up where we need to be
- Ofwat are scrutinising our plan very closely. They will not allow companies to be funded for something twice
- We agree we need to make improvements to the environment. And this paid for by customers over time
- Catching up and the turnaround is not being paid for by customers, it is being paid for by shareholders.

LIVE Question: Who is funding your social tariff and the assistance you give to customers who can't afford your bills?

Response:

• Being very straight forward, we've put to our customers through surveys as to whether they will be prepared to support those customers who are struggling to pay. The surveys outlined that customers support that, and it is largely supported by our customers but this is said in the context that shareholders have already put in £1.6 billion pounds worth of equity into the company which adds real cash for us to be using in the next business planning period 2025 – 2030. They are also proposing to put in (by not paying dividends) a further £400-500 million. These are really significant sums that demonstrate our shareholders are willing to put money into the company which supports the investment into the organisation and those who are vulnerable in society.

LIVE Question: How are you setting about changing the culture of the organisation to get really smart responses and transparent figures on things, so we actually know the things that are going on? There is a feeling that customers get fobbed off with a wide range of nonsense, inconsistent stories about what is going on.

- If you are getting those types of responses that just isn't good enough. The company has
 done a lot of work around ethics and transparency training and we've been doing that for
 over 5 years now
- Every year every employee goes through that training again and that's a big part of how the company operates now you've got to keep working at culture and we recently bought together all our employees (2500 people) and we engaged all of them on our turnaround



- plans. In those turnaround plans we talked significantly about customer communication and how we talk to people

FOLLOW UP Question: Are you listening to people and taking on their concerns, how are you going to improve your engagement and responding to complaints?

- There wasn't enough customer focus in Southern Water historically and there hasn't been enough concentration when we have had issues on making sure customers and stakeholders have all the right information about it
 - We have tried to improve this for example with incident management we have increased the amount of communication – we now text message customers directly who are impacted and we're doing a big drive to get more mobile phone data to make sure we can keep them up to date
 - We do a lot more outreach to Councillors and to other stakeholders to make sure they are kept up to date and we follow that right through to when we fix the issue and we have sent out a number of investigation reports to all the stakeholders involved and to customers so they understand what we are doing with that longer term fix
- We are trying to do better at making sure we hold the baton on those issues so customers can see there is that follow up
- We also have a new website coming in the New Year which will hopefully make it easier to
 find information on the website as we recognise it's not always that easy to find the right
 information we are transparent in displaying that information it's just difficult to find on the
 current website
- The sector as a whole and Southern Water has a tendency to talk in very technical terms as we have engineers and scientists who are really passionate about what they're doing and that comes across in what they say and we're trying to use terms that everyone can understand and make it much more accessible

Online question: why should our bills increase now, when you made huge profits in the past, paid shareholder bonuses and large salaries and bonuses to your top executives, instead of fulfilling your remit of repairing and developing water infrastructure? You reneged on your legal commitment to do this, while vast sums left the company in profit. Our rivers and beaches are horribly polluted because of you. Your customers are powerless. But many of us are furious, and rightly so. Ofwat, we need a system where Southern Water is massively penalised for taking advantage in this way and damaging our environment over decades. There should be zero profit taken from the company now.

- Water bills are agreed with Ofwat and are based on a five year cycle of the investments we
 need to make and the costs of running the business. The recent increase reflected
 inflationary costs in energy and chemicals
- We are aware that the UK's cost of living crisis is a worry for many of our customers, and this is why plans to increase rates are never taken lightly. The decision was made in light of growing economic pressures.
- Customer bills have been under inflation for the last decade, and currently the average water bill is one of the lowest household bills, above only the average phone bill.
- We are channelling more money than ever before into supporting vulnerable customers and those who may struggle to pay their bills. This will boost the support package we already



have at our disposal, including payment holidays, special tariffs, debt write-offs, bill reductions and grants for household items.

Online question: your major shareholder Macquarie left Thames Water in debt and disrepair after it's 10 year ownership. They said they'd invest £500m in Southern Water. This a drop in the ocean compared to what required to make up the huge shortfall in what should have been invested over many years. How is this modest amount being spent and where can we be kept abreast of this spending and the effect it having? What are the vital next stages of investment to bring Southern Water somewhere nearer to a service reflecting the income it receives? Will shareholders pay back what you've paid out to them to resolve the many problems?

Response:

- Customers should be reassured, contrary to what they may hear or read, we haven't paid
 an external dividend to our shareholders since 2017. All funds and profits have been
 invested back into the business to support business recovery
- Our current majority shareholder, a fund managed by Macquarie Asset Management, is supportive of what needs to be done and there are no plans to change that.
- Our board is sensitive to customer concerns on remuneration and has developed pay and bonus policies that reflect our environmental and customer service performance, as well as the challenges of our turnaround.
- In his first year as CEO, Lawrence Gosden chose not to take a bonus, because we haven't met the expectations of our customers.

Online question: Will you annotate your bills in a way which household usage can be given per day?

- Customer bills provide a total charge for a set time period and highlight the number of days
 this includes. We find that most customers wish to be able to quickly understand the total
 bill value quickly. An average daily water consumption is also provided.
- We are currently reviewing the bill through research with our customers to help improve ease of understanding our charges. We aim to make improvements for 2024.

