

new
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WaterShare+
Customer Advisory Panel

Annual Report 2023


South West
Water


Bournemouth
Water


Isles of Scilly
Water

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WaterShare+ Chair's summary

I am pleased to introduce this review which covers the work of the South West Water WaterShare+ Customer Advisory Panel for the 18-month period April 2022 to October 2023 (an extended period due to work on the Ofwat 2024 Price Review¹).



Lord Matthew Taylor

Chair of the WaterShare+
Customer Advisory Panel

The Panel's work included the review of the performance of the company against its Ofwat Price Review 2019 commitments for the regulatory reporting year April 2022 to March 2023. It also included the scrutiny of the company's Business Plan for 2025-2030² which was submitted to Ofwat in October 2023.

The purpose of the Panel is to champion the interest and needs of customers by providing an independent view on the delivery of the company's business plan, including its performance commitments and pledges.

Through its public meetings the Panel boosts customer engagement, allows customers to hold the company to account over its performance and increases awareness of the WaterShare+ scheme. This helps inform the Panel's assessment and response on the company's performance.

We were pleased to have Peaches Golding and Tony Denham, the Bristol Water Challenge Panel chair and deputy chair, join us following the merger of South West Water with Bristol Water in 2022. They greatly supplement our capability.

While this Panel and the Bristol Water Challenge Panel continue in separate existence for scrutiny of delivery of the existing respective 2020-25 business plans, we have amalgamated for the review on behalf of customers of the Pennon Group joint Business Plan for 2025-2030.

The Panel has held regular in-depth sessions with the company's executive directors and was able to scrutinise the operational issues that the company has faced and challenge them over their responses to these issues, both short and long-term. Whilst our focus is inevitably on areas of underperformance, we were also happy to commend the company where it has performed well.

At our invitation, our meetings are normally attended by the Consumer Council for Water, the Environment Agency and Natural England to directly advise us so we can understand the opinions they have on the company's performance and obtain their independent advice on the evidence presented to us by the company. We are very grateful for their valuable input.

The Panel also held four online quarterly meetings in public at which any customer could effectively join the Panel for the day and was able question the company's chief executive officer and senior officers on the company's performance.

147...

The number of customer
questions put to the
WaterShare+ Customer
Advisory Panel

¹ The 2024 Price Review known as PR24 for all water companies in England and Wales will set the price, service and incentive package for 2025-2030

² The Business Plan for 2025-2030 is a key component of the 2024 Price Review

In addition, our workload stepped up significantly this year due to scrutiny of the company's development of its Business Plan for 2025-2030. As well as the joint Panel, we established two sub-groups, customer and affordability, and technical and environment to look in detail at these aspects of the Business Plan.

Meanwhile the Panel (which includes Bournemouth Water) continues to work hard to hold the company to account on behalf of customers and to ensure the customer view is heard both from us, directly from customers through customer research, and through holding our public meetings. We were heartened that the attendance at our public meetings increased significantly over the year, and that the company engaged openly and enthusiastically with the process.

The company met 31 of its 44 Ofwat performance commitments for the period April 2022 to March 2023, compared to 35 the previous year. In particular, there was an improvement in bathing water quality classification but a significant deterioration in performance in water restrictions placed on customers. Other less significant falls in performance were recorded with the resilience of water assets, per capita consumption, sewer blockages, external sewer flooding and the compliance of sludge disposals. This was a disappointing outcome and led to intense scrutiny of what happened and what is planned to turn this around.

Drought and water consumption

The year presented particular operational challenges for the company resulting from the very hot and dry summer in 2022 and exceptional freezing weather events the following winter. This affected the company performance against several of its regulatory commitments. The most significant outcome was the need to seek a drought order and hosepipe bans in certain parts of the region, both unprecedented events in recent times.

Another impact was a near 2% rise in three-year average per capita consumption rather than consumption falling by around 1.5% as required by Ofwat. Average per capita consumption at the end of the year was around 3% above target. There were also increases in water supply interruptions and, significantly, there were 28 water quality related pollution incidents reported against a target of zero.

Both the Panel and customers who attended our meetings challenged the company over its water resource issues and its management of them.

The scrutiny was primarily on the company's communications with customers on the drought and on saving water and its interventions to ensure increased water resource resilience in future. We were satisfied that the company managed the drought effectively, minimising the disruption to customers where it could.

The Panel was impressed with the speed at which the company identified solutions for and the implementation of additional water resources for the short term, including the introduction of desalination plants for 2023.

The company predicts that the resilience of its water supplies, while still under stress, will not result in such severe disruption for customers this year.

Pollution and storm overflows

Pollution of watercourses from raw sewage has rightly become a major public and political issue. Customers were vociferous on this at the Panel's public meetings. Whilst in regulatory terms permitted discharges from storm overflows on the sewerage network may not be pollution incidents if they are permitted under the rules, the public rightly do not see them this way. A lot of focus is therefore on reducing storm overflow discharges (and ensuring they are accurately monitored and reported). We welcome plans for significant investment to address these concerns.

On pollutions as such, despite continuing to fall significantly short of its pollution incident target of 39, the number of incidents (including the most serious incidents) fell to 108 from 151 the previous year. The company has stated to the Panel and customers that reducing pollutions is one of its top priorities. We scrutinised the company's Pollution Reduction Plan and are pleased it appears to be proving beneficial and that the company is further investing in operational and infrastructure improvements.

Pollution (and storm overflows) will remain a key area of focus for the Panel in the coming year.

The company's overall Environmental Performance Assessment score awarded by the Environment Agency increased to two stars (out of four), from one star the previous year. Its regulatory target for the year was three stars. We welcomed this improvement but share the company's view that there is a significant way to go to achieve industry leading performance (currently four stars), and we are pleased about the company's commitment to address this. We will continue to hold the company to account on its environmental performance.

Other areas of focus

The Panel discussed many other matters with the company during the year including the impacts of the cost-of-living crisis on customers and the support being provided to those who are struggling and the affordability and fairness of bills. We were pleased to see that all targets in these areas were met.

Performance against the main Ofwat household customer satisfaction measure (C-Mex) was broadly maintained from the previous year.

Water quality compliance increased from the previous year but again fell below target (although water remained safe to drink).

We were briefed by the company's technical auditor on the quality and accuracy of the company's reporting and assurance and were pleased to hear that no material issues had been found.

While we were disappointed to see the overall deterioration in performance from the previous year, we accepted the company made reasonable efforts to achieve its targets in circumstances impacted by the drought in particular. We will continue to challenge the company to do more, a need it accepts.

2024 Price Review

As the chair of the WaterShare+ Panel, I have really appreciated the way the company has engaged with the Panel openly and proactively throughout the 2024 Price Review business planning process with, in our experience, unprecedented access to documents, company advisors, and the Executive.

The Panel has had a material influence on the development and content of the Business Plan for 2025-2030 to the benefit of customers. We scrutinised the very extensive customer research undertaken for the Plan, and how that influenced its investment and other plans.

The company's proposed investment plan will increase expenditure in customer priorities significantly (doubling the 2020-2025 programme), but this, alongside cost increases, means it also raises customer bills significantly.

Affordability is a significant concern for many areas of our community. The Panel has supported the company's ongoing and unique Business Plan commitment to eliminating water poverty. Meeting this has already involved industry leading customer support over 2019 to 2024 and has clearly helped to mitigate the cost-of-living crisis for many customers. We strongly endorse the company decision to repeat this commitment in the new Business Plan – a greater challenge given the proposed bill increases.

We noted that around three quarters of customers in the research regarded the Business Plan as acceptable. We concluded that the Business Plan overall reflects evidenced customer priorities for investment.

The Panel therefore considered the Business Plan represents the best value investment for customers and the environment while remaining affordable through the proposed increases to the company's social tariff and support schemes, continued incentive outperformance sharing with customers and progressive charging innovations.

Chair's Introduction continued

However, we have written to Government and the regulator saying that this is only the case if the £50 annual government contribution to reduce customer bills in the South Water area is maintained. This contribution offsets the historic high cost of 3% of the national population paying for cleaning up 30% of the nation's beaches. Without this contribution, customers would face a much higher real bill increase and we do not believe that would be acceptable.

WaterShare+

The Panel also oversees the operation of the company's WaterShare+ framework, which includes a mechanism whereby if the company earns rewards by outperforming its business plan, the financial benefits are shared with customers. These benefits include either a credit on the bill or an invitation to receive shares in Pennon Group Plc. We were pleased to see their company issued a second run of the scheme during the year. Resulting with an increase of customers as shareholders. More than 90,000 customers have now received shares and so have a voice as well as value in the company.

We continue to believe that WaterShare+ offers customers an excellent way to give customers a stronger say in what South West Water, Bournemouth Water and now Bristol Water does, as well as offering a financial benefit to them.

In concluding I wish to thank the Panel members for their time and efforts in ensuring our work genuinely holds the company to account on behalf of and for the benefit of customers. I am especially grateful to Carole Theobald and Nick Buckland who chaired the Panel's Customer and Affordability, and Technical and Environment sub-groups respectively.

I also thank the company for engaging openly and transparently with the challenge process.

We look forward to continuing our work in the coming year.

Lord Matthew Taylor

Chair of the WaterShare+ Panel



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South West Water Chief Executive Officer's overview and reflections on 2023



90,000
customers
are shareholders

*A stake and a say
in our business*

Running a water company is a privilege particularly given customers can't choose their provider. Our unique WaterShare+ scheme, established in 2020 for South West Water customers was designed to turn the monopoly water provider model on its head.

We're changing the nature of the relationship customers have with their local water company, by putting them in control. It's also building a socially responsible business model where the ownership is unquestioned.

In the space of three years, we have achieved something never seen before. Having issued 90,000 shares since inception, we now have four times the number of customer shareholders as we do institutional shareholders. This is the equivalent of 1 in 14 households in the South West.

In addition, we extended the scheme across the Greater South West as we welcomed 2,000 Isles of Scilly customers and acquired a population of 1.2 million Bristol Water customers, as part of Pennon's commitment to investing in the UK water sector.

With a focus on paying down historical debt levels, and with an equity injection of £45 million, Bristol Water customers can now also be assured that their water company has financial resilience and long-term financial stability.

South West Water's Watershare+ Customer Advisory Panel is unique. An enduring feature of the model, the panel doesn't just exist for a price review. It ensures that the views of customers are always represented. And it means that the Executive Team is held to account for performance directly by customers. The panel also plays a hugely important role in ensuring that £40 million of financial benefits to date have been returned to customers, in a way that works for them.

We were delighted to welcome the Bristol Water Challenge Panel's members to the Group as part of our acquisition of Bristol Water. Under Peaches Golding's leadership as Chair, the Challenge Panel's remit has been revised with members of both panels coming together for the 2025-2030 Business Plan process, and overseeing extensive and wide-reaching robust customer engagement, led by Lord Matthew Taylor, Chair of the Watershare+ Customer Advisory Panel.

I am indebted to the Watershare+ Customer Advisory Panel and the Bristol Water Challenge Panel for their work this year. Their dedication, commitment and leadership is to be commended. In particular their challenge on performance has struck the right chord in ensuring we are focused on improving outcomes for customers and the environment.

Overall, we have delivered against 70-80% of our Outcome Delivery Incentives over the three years in this business plan period with relative cumulative performance upper quartile when compared to the rest of the sector. With published action plans in place, we know where we need to improve. Our plan is built on a rock-solid foundation, a strong balance sheet, with gearing at levels just over 60%.

There is a particular continued focus, and rightly so, in Devon and Cornwall on pollutions and storm overflows given our 860 miles of coastline. We are clear we need to do better. Both South West Water and Bristol Water were impacted by adverse weather resulting from climate change, with hosepipe bans in the most southerly part of our region, and Bristol experiencing unplanned outages as a consequence of the freeze/thaw. Across our areas, we have responded with a £125 million investment to break the cycle of drought. Additionally, having enacted the licence merger in February 2023 post clearance from Ofwat, we are now able to focus on ensuring sustained and improved performance in Bristol Water with increased operational rigour and enhanced expenditure, and in sharing the “best of the best” across our regions.

You have my assurance that we will continue to build on the momentum that we have today. With just over 3,000 brilliant colleagues, we're focused on tackling the biggest challenges head on in our region, as we invest to protect water quality and resilience, tackle the use of storm overflows at our beaches, eradicate pollutions and protect the environment from effects of climate change whilst making environmental gains. With a laser like focus on efficiency, we will also focus on customer affordability by keeping bills as low as they can be, and in delivering for all our customers.

Susan Davy
CEO – South West Water

Find out more here



Performance Update & Action Plans

1. About the WaterShare+ Customer Advisory Panel

Who are we?

The WaterShare+ Customer Advisory Panel is an independent group of customer, business, and social representatives. It is regarded by Ofwat as the Independent Challenge Group for South West Water.

The membership of the Panel is strengthened with expert advisors from Consumer Council for Water, Environment Agency and Natural England. All provide specialist insight and challenge to the company on behalf of the Panel and customers.

The WaterShare+ Customer Advisory Panel are:

Lord Matthew Taylor – Chair

Nick Buckland OBE – Deputy Chair

Peaches Golding OBE – Bristol Water Challenge Panel Chair

Tony Denham – Bristol Water Challenge Panel Deputy Chair

Carole Theobald

Richard Lacey

Biographies of the WaterShare+ Customer Advisory Panel members can be found in Appendix 1.

The WaterShare+ expert advisors are:

Catherine Jones –
Consumer Council for Water

Kevin Ward – Environment Agency

Fergus Mitchell – Natural England



The Panel is very sad to report the recent passing of Mark Duddridge. Mark was an extremely likeable and formidable Panel member, and his valuable contributions will be greatly missed. Our thoughts are with his family.

Adrian Bratt resigned from the Panel during the year due to a change in his work commitments. We have been very grateful for his contributions over recent years.

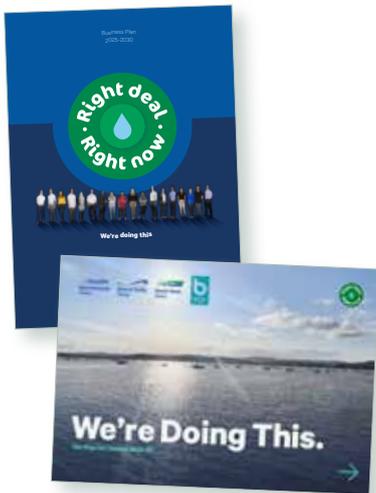
“ Have your say

You can tell us what you think and have your say by asking us a question at www.southwestwater.co.uk/about-us/watershareplus/meeting/

or www.bournemouthwater.co.uk/about-us/watershareplus/watershare-public-meeting/



What we do



Business Plan
2025-2030



A description of the role of the Panel, together with its membership, terms of reference and the minutes of its meetings, can be found on the Company's website.

The purpose of the WaterShare+ Customer Advisory Panel is:

- To boost customer engagement and feedback to help inform the Panel's assessment and response on the company's performance
- To champion the interests and needs of customers by providing an independent view on the delivery of the company's business plan, including its performance commitments and board pledges
- To increase awareness of the WaterShare+ customer scheme of share ownership and having a greater say in how the business is run.

The Panel works through a regular programme of meetings and engagement with the company, expert advisers and customers throughout the year.

Specifically, we:

1. Seek customer feedback by holding quarterly meetings in public, and further customer research. The public meetings enable any customer to effectively join the Panel for the day and to question the company's chief executive officer and senior officers on the company's performance
2. Monitor and review progress on the company's performance outcomes
3. Review the company's approach to sharing customer benefit, including the timing of sharing any net gain, and that it has been accurately assessed
4. Share views on behalf of customers on the company's dividend policy and any proposed changes
5. Provide an annual performance report statement and overview of the Panel's activities and assessment of the company's performance.

A description of the role of the Panel, together with its membership, terms of reference and the minutes of its meetings, can be found on the company's [website](#).

The Panel has integrated with the Bristol Water Challenge Panel following the merger of South West Water and Bristol Water in February 2023. The chair and deputy chair of the Bristol Water Challenge Panel also joined the Panel during the year, greatly supplementing its capability.

Further information on the integration of the two Panels is provided in Section 4.1.

This report covers the Panel's review of the performance of South West Water only, the Bristol Water performance is reported in the Bristol Water Challenge Panel annual report.

The Panel's work also included the scrutiny of the company's Business Plan for 2025-2030 which was submitted to Ofwat in October 2023 as part of the 2024 Price Review¹. This report includes a summary of the Panel's findings on the 2024 Business Plan.

³ The 2024 Price Review is the process by which the water regulator Ofwat decides whether to approve the Business Plan and resulting prices for the period 2025-2030, based on proposals put forward by the company. These proposals are based both on customer research and an assessment of investment plans required to deliver the company's statutory obligations for clean water supply, dealing safely with waste water including sewage, and customer service.

2. Meetings

The Panel held meetings throughout 2022/23, including quarterly meetings in public with customers, as listed below.

Meetings held by the WaterShare+ Customer Advisory Group Panel with South West Water's Chief Executive Officer and Executive Directors

Date	Topics discussed	Date	Topics discussed
5 May 2022	<ul style="list-style-type: none"> Bristol Water update 2019 Price Review company performance Environmental leadership – WaterFit 2024 Price Review preparations Agenda for the public meeting on 13 June 2022 	19 May 2023	<ul style="list-style-type: none"> Reports of performance 2024 Price Review updates including: <ul style="list-style-type: none"> What our customers are telling us Emerging plan Prospects for prices Progressive charges
12 September 2022	<ul style="list-style-type: none"> Price Review 2019 company performance Supporting customers – affordability Environmental leadership <ul style="list-style-type: none"> Water situation Environmental performance assessment 2024 Price Review preparations Bristol Water update 	31 July 2023	<ul style="list-style-type: none"> Drought and resilience update Overview of sector performance 2024 Price Review update including: <ul style="list-style-type: none"> 2024 Price Review narrative Business Plan, risks and outcomes Programme update Panel sub-groups' summary reports
15 November 2022	<ul style="list-style-type: none"> Company performance Environmental leadership – 2024 Price Review <ul style="list-style-type: none"> 2024 Price Review programme update Customer research for long-term plans Affordability Drought update 'Stop the Drop' 	30 August 2023	<ul style="list-style-type: none"> 2024 Price Review overview Customer engagement update Investment plan Long-term delivery strategy Assurance
22 February 2023	<ul style="list-style-type: none"> Chief executive officer overview and reflections Integration update Sub-group feedback 	20 September 2023	2024 Price Review: <ul style="list-style-type: none"> Investment plan Customer research – acceptability update Progressive charging Draft Panel report Dividend policy Remuneration policy
6 March 2023	<ul style="list-style-type: none"> Developing the 2024 Price Review Business Plan Progressive charging 		

Public meetings held by the WaterShare+ Customer Advisory Group Panel

Date	Topics discussed	Date	Topics discussed
13 June 2022	<ul style="list-style-type: none"> Approval of minutes Performance overview Environmental leadership – WaterFit Live WaterShare+ overview Q&A session 	28 March 2023	<ul style="list-style-type: none"> Approval of minutes Performance overview and action plan Drought and resilience update Q&A session WaterFit Live
13 December 2022	<ul style="list-style-type: none"> Approval of minutes Performance overview Supporting customers – affordability 2024 Price Review overview Q&A session 	23 June 2023	<ul style="list-style-type: none"> Approval of minutes 2022/23 performance overview Drought and resilience update Q&A session

2. Meetings continued

Customer Annual General Meeting 2022

Date	Topics discussed
20 July 2022 At Mayflower Water Treatment Works, Roborough, just north of Plymouth	<ul style="list-style-type: none"> • Health and safety briefing • South West Water chief executive officer's welcome • Mayflower water treatment works tour • WaterShare+ Customer Advisory Panel – Chair's overview • Customer discussion groups

The meetings of the Panel's specialist sub-groups held during the period covered by this review are listed below.

WaterShare+ Group Panel: Customer and Affordability sub-group meetings

Date	Topics discussed	Date	Topics discussed
29 November 2022	<ul style="list-style-type: none"> • Customer research and engagement framework • Ofwat centralised research • Research synthesis • Valuation • Affordability update • Consumer Council for Water and Ofwat – supporting customers through the cost-of-living pressures 	3 May 2023	<ul style="list-style-type: none"> • Customer priorities • Ofwat valuations update • Research framework progress • Your Water, Your Say update • Affordability and acceptability testing update • Bespoke performance commitments feedback
31 January 2023	<ul style="list-style-type: none"> • 2024 Price Review research framework progress • Valuation overview • Sampling and segmentation update • Net zero and Smarter, Healthier Homes storyboards 	6 June 2023	<ul style="list-style-type: none"> • Customer synthesis update • Research framework progress • Affordability and acceptability testing update • National and company valuations • Affordability outlook • Progressive charging update • Your Water, Your Say update
28 February 2023	<ul style="list-style-type: none"> • 2024 Price Review research framework progress • Youth Board reflections • Affordability and acceptability testing • Valuation and willingness to pay • Sampling strategy • Your Water, Your Say • Sewer misuse survey 	4 July 2023	<ul style="list-style-type: none"> • Affordability and acceptability testing update • Customer synthesis update • What communities want • Research framework progress • Affordability and vulnerability strategy update • Your Water, Your Say industry insight • Progressive charging update
4 April 2023	<ul style="list-style-type: none"> • Research framework progress and recent research • Customer priorities • Ofwat valuations update • Affordability and acceptability testing • Your Water, Your Say update • Progressive charging update 		



2. Meetings continued

WaterShare+ Group Panel: Technical and Environment sub-group meetings

Date	Topics discussed
11 January 2023	<ul style="list-style-type: none"> • Purpose of the sub-group • Strategic direction update • Long-term delivery strategy • Water industry national environment programme review
3 February 2023	<ul style="list-style-type: none"> • Water resources management plan review • Drinking water inspectorate review • Customer priorities and the draft outcomes framework • Business Plan early sight • Long-term delivery strategy and best value planning approach
1 March 2023	<ul style="list-style-type: none"> • Water resources management plan consultation update • Drainage water management plan consultation update • Water industry national environment programme update • Bespoke performance commitments review • Your Water, Your Say update
6 April 2023	<ul style="list-style-type: none"> • Asset management plan (2020-25) water resources resilience update • Emerging investment plan update • Isles of Scilly update • Building blocks update – Water industry national environment programme; Drainage water management plan; Water resources management plan • Bespoke performance commitments review • Best value plan update
4 May 2023	<ul style="list-style-type: none"> • Asset management plan (2020-25) • Emerging investment plan update • Submission building blocks update – Water resources management plan; Water industry national environment programme; Water quality plan deliverability • Long-term delivery strategy update
7 June 2023	<ul style="list-style-type: none"> • Asset management plan (2020-25) water resources and water resources management plan update • Drainage water management plan and water industry national environment programme update • Funding routes and bill impacts • Emerging investment plan update • Long-term delivery strategy update
12 July 2023	<ul style="list-style-type: none"> • Asset management plan (2020-25) water resources resilience update • Water resources management plan and water industry national environment programme updates • Emerging investment plan update • Outcomes update • Long-term delivery strategy update

Combined sub-group meetings

Date	Topics discussed
1 August 2023	<ul style="list-style-type: none"> • Your Water, Your Say update • Affordability and acceptability testing update • Customer research line of sight update • Programme update • Investment plan update <ul style="list-style-type: none"> - Business Plan and outcomes - Investment phasing update • Water resources management plan update
18 August 2023	<ul style="list-style-type: none"> • Programme update <ul style="list-style-type: none"> - Regulatory landscape - Investment plan - Alignment with regulatory framework • Customer engagement update and draft reports • Outcomes and incentives update • Long-term delivery strategy update and supporting customer research • Water resources management plan update • Affordability and vulnerability strategies • Progressive charging update
5 September 2023	<ul style="list-style-type: none"> • Drought update • Customer engagement update and draft reports • Affordability and acceptability testing compliance • Continual customer research update • Investment plan update • Draft Panel report





3. Challenges

The Panel maintains a record of actions and challenges on the company arising from its scrutiny, mainly arising through its meetings. The key questions and information requests made to the company and its responses to them are also recorded.

Challenges are identified where the company has made a change to its work or plans because of the Panel's scrutiny. The challenges record enables the Panel to demonstrate its independence from the company. The company has engaged with this process in a constructive manner.

The Panel recorded 102 challenges during the period covered by this review. The subjects were:



The company's responses to the challenges were considered by the Panel, and all were dealt with acceptably. No areas of disagreement remain outstanding.

4. Findings

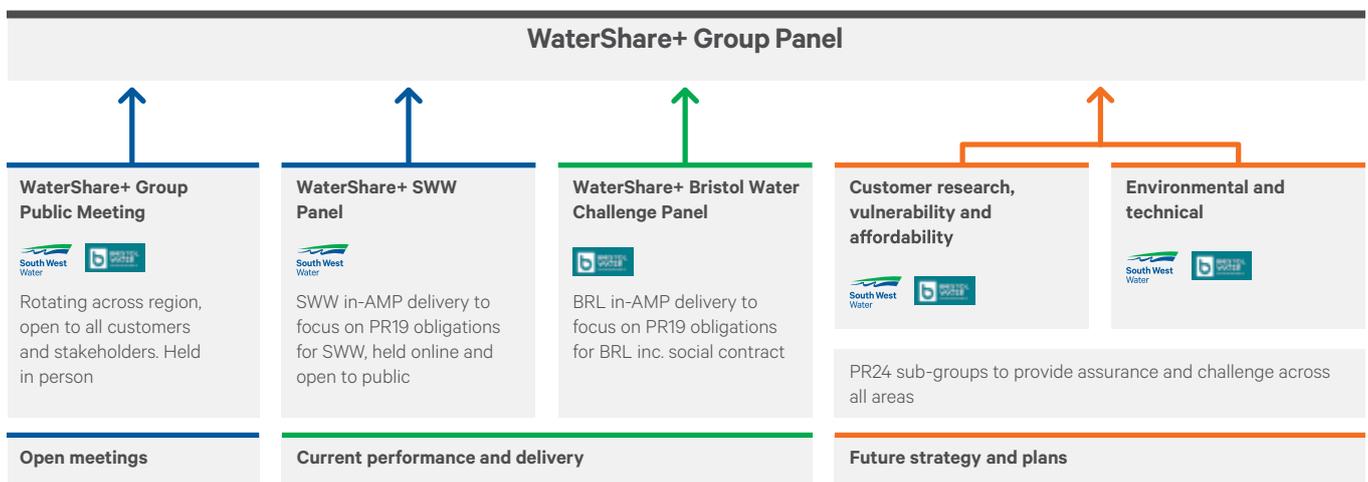
4.1 Integration

On 1 February 2023, the Bristol Water licence to provide customers with water was integrated into the South West Water licence as part of the company merger.

On 1 February 2023, the Bristol Water licence to provide customers with water was integrated into the South West Water licence as part of the company merger. As a result of this acquisition, the WaterShare+ Customer Advisory Panel has integrated with the Bristol Water Challenge Panel. The integrated group is known as the WaterShare+ Group Challenge Panel. From the outset, the intention has been to adopt the best practice from both panels.

The Group Panel is chaired by Lord Matthew Taylor, with Peaches Golding OBE (chair of the Bristol Water Customer Panel) as deputy chair, and includes representatives from Consumer Council for Water, Environment Agency and Natural England.

The structure of the integrated Group Panel is shown below.



The integration of the two panels will mean, for the reader of this report, that some results will be presented slightly differently from previous years but will have many similarities. Some areas will have new focus and prioritisation in line with the new integrated Group Panel.

While the Group Panel oversees strategic matters on behalf of customers across all regions, the Bristol Water Customer Panel and WaterShare+ Panel remain in place to continue to oversee and scrutinise their respective companies' performance and delivery of operational outcomes to 2025.

The objectives of the Group Panel are focused on the company's Business Plan for 2025-2030 as part of Ofwat's 2024 Price Review and include primarily:

- Contributing to the development of the 2024 Price Review Business Plan by challenging the company's proposals, particularly through the review and scrutiny of the associated customer engagement and the drivers of expenditure
- Ensuring that the Business Plan fairly represents the views of the company's customers and communities.

The Group Panel holds quarterly meetings in person that are open to customers and stakeholders, rotating across the regions. This enables customers to have their say in the operation and direction of the business and allows the company to listen to their views, needs and concerns.

4. Findings continued

Integration continued

The Group Panel established two sub-groups to enable detailed scrutiny of the company's customer engagement and affordability activities (both routine and specific for the forthcoming 2024 Price Review Business Plan) and the technical and environmental aspects of its performance in the current Price Review period for 2019 and the development of its investment plan for the 2024 Price Review. The sub-groups were formed from and chaired by members of the Group Panel who have the appropriate expertise in these areas. The expert advisors from Consumer Council for Water, Environment Agency and Natural England also sit on the Group Panel. Both sub-groups reported their findings regularly to the WaterShare+ Group Challenge Panel to keep it fully informed.

The Technical and Environment sub-group also reviewed the company's responses to the ongoing drought and its water resource pressures in 2022/23, both of which were relevant to the Panel's work in the year.

The meetings of the Group Panel and its sub-groups held during the period covered by this review are listed in Section 2 of this document.

4.2 2019 Price Review outcomes and performance commitments

South West Water has a range of performance commitments within its 2019 Price Review Business Plan which apply across its South West and Bournemouth areas.

These performance commitments were based upon extensive research identifying key customer and other stakeholder priorities undertaken in 2018 and 2019. The performance commitments apply throughout the period 2020 to 2025.

An important element of the Panel's role is to provide an independent view on behalf of customers on the company's performance against its 2019 Price Review performance commitments and board pledges.

The Panel met with the company's technical assurance provider (Jacobs) who confirmed that it had found no material issues with the accuracy and reliability of the company's performance data. Several minor areas where strengthening of reporting methodologies were identified and the Panel will be monitoring the company's actions plans for these in the coming year.

Throughout the year South West Water has shared regular updates on its Price Review 2019 performance commitments for the period April 2022 to March 2023.

During this time, 31 out of the 44 2019 Price Review performance commitments were on track or ahead of target at the end of the period. The figure for the previous year was 34 so disappointingly overall performance has deteriorated.

4. Findings continued

The company's performance in 2022/23 against its 2019 Price Review outcomes and performance commitments was as follows:

Clean, safe, and reliable drinking water

Performance Commitment	Performance
Water supply interruptions	Underperformance
Mains Repairs	Outperformance
Unplanned outage	Significant outperformance
Taste, smell and colour contacts*	Target met
Efficient delivery of the new Alderney Water Treatment Works	Target met
Water quality compliance*	Underperformance
Efficient delivery of the new Knapp Mill Water Treatment Works	Target met

Available and sufficient resources

Performance Commitment	Performance
Water restrictions placed on customers	Significant underperformance
Leakage	Target met
Per capita consumption	Underperformance

Responsive to customers

Performance Commitment	Performance
Customer service – C-MeX (Ofwat's primary household customer measure of experience)	Underperformance
Developer service – D-MeX (Ofwat's measure of experience applies to the service provided to developers and self lay providers in the retail market for non-household customers)	Underperformance
Operational contacts resolved first time – water	Target met
Operational contacts resolved first time – wastewater	Target met
Customer satisfaction with value for money	Target met
British Standard for Inclusive Service Provision	Target met
Overall satisfaction of services received on the Priority Services Register	Outperformance
Priority Services for customers in vulnerable circumstances	Outperformance
<ul style="list-style-type: none"> • Customers reached • Actual contacts • Attempted contacts 	Outperformance

Fair charging and affordable bills for all

Performance Commitment	Performance
Installation of Automatic Meter Reading meters	Outperformance
Number of customers on one of the support tariffs	Outperformance
Residential retail voids	Outperformance
Percentage of customers who find their water bill affordable	Outperformance

Protecting the environment

Performance Commitment	Performance
Biodiversity – enhancement	Significant outperformance
Biodiversity – compliance*	Target met
Biodiversity – prevent deterioration	Outperformance
Pollution incidents*	Significant underperformance
Number of pollution incidents category 1-3 (water only)*	Underperformance
Environmental Performance Assessment*	Significant underperformance

Reliable wastewater services

Performance Commitment	Performance
Internal sewer flooding	Significant outperformance
Sewer collapses	Significant outperformance
External sewer flooding incidents	Underperformance
Sewer blockages	Underperformance
Odour contacts from wastewater treatment works	Outperformance
Wastewater treatment works compliance*	Target met
Total wastewater treatment works compliance*	Target met
Descriptive compliance*	Target met
Compliance with sludge standard	Underperformance

(*calendar year 2022 figures)

4. Findings continued

4.2 2019 Price Review outcomes and performance commitments continued

Resilience

Performance Commitment	Performance
Resilient water and wastewater services in the Isles of Scilly	Target met
Resilience in the round – water	Underperformance
Resilience in the round – wastewater	Significant outperformance
Risk of sewer flooding in a storm	Significant outperformance
Risk of severe restrictions in a drought	Target met

Benefiting the community

Performance Commitment	Performance
Bathing water quality	Significant outperformance
Abstraction Incentive Mechanism	Target met

The Panel has scrutinised and challenged the company to ensure it was fully able to assess how the company is performing. This has included the company providing detailed reports which easily compare performance against its planned performance commitments. It also provided comparative data from other companies.

Customers' top priority continues to be the delivery of a continued supply of clean drinking water. The Panel was pleased to see that targets were met or exceeded in areas such as minimising unplanned outages, maximising drinking water aesthetics and leakage reduction.

However, water supply interruptions, per capita consumption and water quality compliance fell below targets (although water remained safe to drink).

The company reported that the effects of the hot and dry summer and cold winter periods affected its performance in many areas. Most significantly water restrictions (hosepipe bans) were introduced in Devon and Cornwall in the summer of 2022 to restrict consumption during the hot weather. At the Panel's public meetings, customers unsurprisingly expressed concerns about the drought and the restriction on water usage. The Panel also took a close interest into the causes of the water resource issues, the company's management of them and its plans to prevent future occurrence. The Panel comments further on these areas in Section 4.3 of this report.

The weather also impacted the three-year average per capita consumption which rose by 2% rather than falling by around 1.5% as required by Ofwat. Average per capita consumption at the end of the year was around 3% above target. There were also increases in water supply interruptions and water quality-related pollution incidents, where 28 such incidents were reported against a target of zero.

The Panel is pleased to note that the company reported meeting or exceeding targets for key customer and community-focused measures such as achieving 100% bathing water quality standards, minimising internal sewer flooding and sewer collapses, resolving customer contacts quickly and effectively, supporting customers in vulnerable circumstances and those requiring priority services. It also achieved its customer satisfaction target associated with the value for money for its services and performed well against all its fair charging and affordability targets. This was particularly welcome given the ongoing and worsening cost of living crisis and the resulting affordability pressures on customers.

The Panel was disappointed to see the company's continued underperformance against the key Ofwat customer and developer satisfaction measures of C-MeX and D-MeX. The Panel will continue to encourage the company to perform better in these areas.

External flooding and sewer collapse targets also proved difficult to achieve.

The company performed well against some of its environmental targets including improving biodiversity, the compliance against discharge standards from its wastewater treatment works and as mentioned above, bathing water quality.

Disappointingly the company fell well short of its performance target on wastewater pollution incidents, despite the number of serious pollution incidents being much lower than in the previous year. The number of incidents (including the most serious incidents) fell to 108 (from 151 the previous year) but was significantly above the target of 39. Customers were vociferous at the public meetings about the company's sewage discharges to the environment. The significant media coverage and public and political comment on sewage pollution from storm overflows has also raised public concerns generally.

4. Findings continued

The Panel provides further comment on storm overflows and the company's plans to address these in Section 4.3 of this report.

Environmental targets were also missed for pollution from water supply assets, where 28 such incidents were reported against a target of zero, and for sewage sludge disposal.

The company's overall Environmental Performance Assessment score awarded by the Environment Agency was also below target. However, the Environmental Performance Assessment score did increase to two stars out of four, from one star the previous year. The target for 2022 was three stars. The Panel welcomed this improvement but shares the company's view that there is a significant way to go to achieve industry leading performance (currently four stars). It will continue to hold the company to account on its environmental performance.

The resilience of the company's assets showed a mixed picture. The resilience of the water and wastewater services on the Isles of Scilly, the company's wastewater services elsewhere and sewer flooding in a storm were all above target.

The company has informed the Panel that it continues to target meeting all its commitments by the end of the 2020-2025 regulatory period and that it has no significant concerns in achieving this. The company has agreed to add end of period forecast performance information to its future reports to the Panel. This will enable the Panel to monitor progress.

At the end of 2021/22 Ofwat expressed concern over some aspects of the company's performance and instructed it to produce and publish an Action Plan to set out how it intends to rectify these. The company did this and the Action Plan was reviewed by the Panel. The Panel considered the Action Plan to be clear and focused on meeting the regulatory targets set by Ofwat and related to the measures where the company is lagging against these. While the Panel cannot confirm the Plan is sufficient from a technical perspective, it welcomes the assurance from the company that it is addressing the issues.

Ofwat has also recently launched an investigation into the accuracy and reliability of the company's leakage and per capita consumption data reported in 2021/22. The company is engaging constructively with Ofwat on these issues and will be keeping the Panel informed of developments this coming year. It has expressed its confidence to the Panel that its information is sound.



4.3 Areas of focus

This section describes the Panel's scrutiny of two key areas where the company significantly underperformed in 2022/23: the drought and sewage pollution incidents. It also outlines the work the company has done to improve the information on beach water quality provided to the public using its WaterFit Live system.

Drought

The dry and hot summer of 2022 placed considerable strain on the company's water resources resulting in the granting of a drought order and the implementation of temporary use bans (hosepipe restrictions) on some customers in Devon and Cornwall.

The Panel took a close interest in the company's management of the drought, particularly its messaging to consumers on the resource situation and on the efficient use of water. The Panel also challenged the company on the steps it was taking to strengthen the future resilience of its water resources. The company provided regular updates to the Panel on these issues and welcomed the Panel's scrutiny of them. The company also fielded questions from customers at the Panel's public meetings.

The Panel was pleased to see that the company stepped up its Save Every Drop campaign and increased its public messaging on roadside billboards, at tourist attractions and at holiday sites and hotels. The company assured the Panel that tangible reductions in demand for water resulted from its actions.

The company's response to increasing water resource resilience in the short term included the fast-track installation of two seawater desalination plants and investigations into the feasibility of using former mine workings as water storage facilities. The company kept the Panel informed of progress on these schemes and on the water resource position throughout the year. The Panel challenged the company on the feasibility and deliverability of these initiatives and was pleased to see that the desalination plants progressed quickly and should be on stream later in 2023. The work at Black Pool Pit has also progressed well. Other mine working storages will be a longer-term option.

At the end of 2022/23 the company was forecasting that its water resource position in the summer of 2023 will be stronger than in 2022. Its plan is to get through to 30 November 2023 without falling into severe drought conditions and to recover raw water storages to levels to break the current drought cycle by March 2024. Increased resilience in the longer term is intended to come from bulk transfers of water into the stressed areas and the development of new water sources with Wessex Water. The pressures on water resources in 2022 coincided with the development of the company's 25-year Water Resources Management Plan. The draft of the Management Plan was submitted to Ofwat and Environment Agency towards the end of the year.

The Panel was concerned to hear from the Environment Agency that it had misgivings on the draft Water Resources Management Plan. These included an apparent lack of assurance that the Management Plan would ensure security of supply and to provide this in a way which doesn't impact on the environment. It also considered that the stakeholder consultation on the draft Management Plan was inadequate. Both Ofwat and the Environment Agency required the company to revise and resubmit its Water Resources Management Plan.

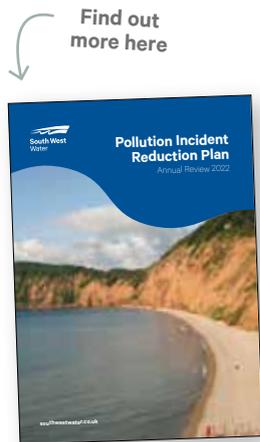
The Panel was pleased to see that the company is taking this feedback on board and is working closely and constructively with the Environment Agency to improve the Water Resources Management Plan. A revised draft will be published for consultation later in 2023. The Panel will review this during the coming year.



Hawks Tor, Cornwall

4. Findings continued

4.3 Areas of focus continued



Find out more here

Pollution Incident Reduction Plan

Sharing storm overflow information through the WaterFit Live platform



Storm overflows and WaterFit Live

Sewage discharges to the environment remain a key concern and emotive issue for customers and stakeholders. This was clear from the Panel's public meetings. Significant media coverage and public and political comment on pollution from storm overflows has also raised public concern on this issue.

In its Annual Report for 2022, the Panel described how it had reviewed and challenged the company's Pollution Reduction Plan and its increased interventions to prevent the spillage of sewage into the environment. This Plan included the increased use of sensors and monitoring technology in the wastewater network, more response personnel, improved maintenance regimes and a higher focus on cultural change to meet standards and deliver improvements.

The company provided the Panel and its customers with regular information and updates during 2022/23 on the company's progress on its Pollution Incident Reduction Plan and has continued to publish updates on its website.

While the Panel was disappointed that the company fell well short of its pollution target in 2022/23, it welcomed that both the number of pollutions, and particularly serious pollutions, fell compared to the previous year. The Environment Agency advised the Panel that, while it welcomed this, it would like to see pollution incidents reduce faster and further but recognises that the company is driving improvement.

The company's executive directors have assured the Panel of their commitment to significantly reduce sewage discharges to the environment, both in the current regulatory period to 2025 and through major investment planned from 2025 to 2030 and in the longer term.

Of note and interest to the Panel was the company's development and implementation of its WaterFit Live beach water quality reporting system introduced in March 2023. While the information is not real time (as it must be verified), it is reasonably up to date and provides users with a useful and reliable online source of information on the quality of beach water. The WaterFit data is the same as given to the UK marine conservation and campaigning charity Surfers Against Sewage.

The Panel considered WaterFit Live to be a good initiative and welcomed the company being proactive in reporting information. It is aware that the response by the public has been favourable but that the company has had questions raised about certain beaches and clarification requests on some overflows and there have been several challenges from users in connection with the information provided. The Panel will be considering how the information is used by the public and how the company will monitor usage of the website.

The Panel notes that the company has provided further insight by adding near real time data on the operation of an individual storm overflows at each beach since May 2023. It has also improved in September its website. The Panel was pleased to learn that the WaterFit Live offering is the start of wider process of information sharing by the company and that it is considering using customer research to obtain feedback.

Woolacombe, Devon



5. 2024 Price Review

A key focus for the Group Panel this year has been on the development of the company's 2024 Price Review Business Plan, covering the period 2025 to 2030.

5.1 Customer engagement

South West Water engaged routinely during the year with its customers on aspects of its service both current and future. It also undertook extensive engagement across the wider area including Bristol Water for its 2024 Price Review Business Plan. This included consultation on the company's Long Term Delivery Strategy, its draft Water Resources Management Plan and drafts of its Business Plan.

Owat and the Consumer Council for Water published guidance for water companies' testing of customers' views of the acceptability and affordability of the

PR24 business plans. This included a requirement for Independent Challenge Groups to play a key role in the assurance process for this testing. The Group Panel followed this guidance.

The Group Panel's Customer and Affordability sub-group worked through the extensive customer research that has contributed to the Business Plan, how this was collated and impacted the decision-making process. Panel members observed a sample of engagement events and fed back their findings to the company.

The Group Panel been supported with reports from external consultants who are specialists in their field. Group Panel members have also input into the design of and attended customer research and engagement sessions, including the Your Water, Your Say event.

The Customer and Affordability sub-group reviewed and challenged the 2024 Price Review engagement work and findings undertaken, and members observed a sample of engagement events and fed back their findings to the company.

5.2 Business Plan for 2025-2030

One of the key objectives of the Group Panel has been to confirm that customers' priorities and needs obtained from the engagement have been considered and accounted for in the development of the company's 2024 Price Review Business Plan for 2025-2030.

The Group Panel was regularly appraised on the development process and content of the 2024 Price Review investment plan, having reviewed the associated strategic submissions (Water Resources Management Plan, Drainage and Wastewater Management Plan and Water Quality Programme). It was consulted on the company's long-term ambition and the development of its customer commitments. The Group Panel has supported the ongoing programme of customer research, recognising that the company needed a strong evidence base for its investments which meets the needs of its local customers, communities, and the environment.

The Group Panel consistently challenged the company to ensure that its proposals are not only deliverable but affordable for customers and has endorsed its ambition to change tariffs to make charging more progressive.

The investment programme for the 2024 Price Review is significantly greater than at the 2019 Price Review and is being driven primarily by statutory requirements for water supply resilience, water quality and environmental improvement. Much of this statutory work is supported in principle by customers although the proportion of the 2024 Price Review investment plan that can be directly influenced by customers is relatively small.

The Group Panel notes that the 2024 Price Review Business Plan results in a significant bill increase and challenges around affordability, deliverability, and financing.

Affordability is a significant concern for many areas of our community. The Panel has supported the company's ongoing and unique Business Plan commitment to eliminating water poverty. Meeting this has already involved industry leading customer support over 2019 to 2024 and has clearly helped to mitigate the cost-of-living crisis for many customers. We strongly endorse the company decision to repeat this commitment in the new Business Plan – a greater challenge given the proposed bill increases.

* methodology prescribed by Ofwat and CCW

6. Priorities for 2023/24

The Group Panel scrutinised the very detailed customer research. We concluded that the proposed Business Plan does reflect customer priorities for investment and properly mitigates bill impacts for those least able to afford them. We noted that around three quarters of customers in the research regarded the plan as acceptable. On this basis the Panel supports the planned investment for customers and the environment and that it is affordable through the proposed increases to the company's social tariff and support schemes, continued sharing of any outperformance with customers, and progressive charging innovations to make bills fairer.

However, we have written to Government and the regulator saying that this is only the case if the £50 annual government contribution to reduce customer bills in the South Water area is maintained. This contribution offsets the historic high cost of 3% of the national population paying for cleaning up 30% of the nation's beaches.

The Group Panel has reported its extensive work and detailed findings in its recently published report on the company Business Plan for 2025-2030.



Find out more here

Report on the PR24 business plan

The Panel's priorities for the remainder of 2023/24 and beyond will be:

- 1 Supporting customers – affordability and vulnerability
- 2 Performance against the company's 2019 Price Review Commitments
- 3 Environmental performance including pollutions
- 4 Customer engagement

The Group Panel (and its sub-groups) will, as necessary, continue and conclude its review and scrutiny of the customer engagement for the 2024 Price Review and the reflection of customers' priorities in the company's Business Plan for 2025-2030.

“ Have your say

You can tell us what you think and have your say by asking us a question at

www.southwestwater.co.uk/about-us/watershareplus/meeting/

or www.bournemouthwater.co.uk/about-us/watershareplus/watershare-public-meeting/

”

Appendix 1

WaterShare+ Customer Advisory Panel members



Lord Matthew Taylor

Chair

Lord Matthew Taylor was a member of Parliament until he stood down in 2010. He has a passion for sustainable planning and housing policy. Matthew continues to advise government, and he runs his own consultancy business advising on a significant number of major new sustainable 'garden community' projects across the UK.

Following a decade of working in the water sector as a non-executive director at South West Water, focused on improving customer outcomes, Matthew continues to champion customer interests by holding the company to account as the independent WaterShare+ chair.



Peaches Golding

Deputy Chair

Mrs Golding is the independent Deputy Chair of the WaterShare+ Panel and independent chair of the Bristol Water Customer Challenge Panel. She is His Majesty's Lord-Lieutenant for Bristol, Vice President of the Royal Society of St George, non-executive consultant of Moon Consulting Ltd, and a Trustee of the SS Great Britain and of Bristol Zoological Society. Peaches' board experience spans the health, media, utilities and education sectors. She was awarded the OBE in 2009 for services to minority ethnic people in the South West. She graduated from the University of North Carolina, Chapel Hill, USA with a Biology degree and awarded an honorary MBA by the University of the West of England (UWE) in 2010, a Doctorate of the University by UWE in 2017 and a Doctorate of Letters by the University of Bristol in 2018. She is an Honorary Captain of the Royal Naval Reserves and President of the affiliation between Bristol and HMS Prince of Wales.



Nick Buckland

Nick continues to champion the needs of customers having successively chaired the previous independent WaterShare and WaterFuture Panels, overseeing and challenging delivery and development of South West Water's business plans.

Nick brings a wealth of experience to the role, he is an experienced and highly regarded leader, chair and board member.



Carole Theobald

Carole has worked in the public and charitable sectors in Cornwall for more than 20 years. Carole is currently the chief executive at iSightCornwall, a leading sight loss charity supporting more than 4,000 people each year and Non-Executive Member of the NHS Cornwall and Isles of Scilly Integrated Care Board (ICB) for quality, citizen engagement and equalities. Carole is a highly versatile senior leader with a wealth of experience in customer advocacy.



Richard Lacey

At PR14 Richard chaired the Bournemouth Water Customer View Group ensuring that the company delivered against its promises, he was instrumental in ensuring services to Bournemouth Water customers were not impacted when South West Water acquired the company in 2016. Richard continues to ensure that Bournemouth Water's customer needs are considered on the WaterShare+ Advisory Panel. Richard is a Chartered Civil Engineer with a lifetime's experience in the Water Supply Industry both in the UK and overseas, where he has held both executive and non-executive directorships in water companies.



Anthony Denham

On retiring from a successful career in the electrical power industry, Anthony became a champion for water customers in the Southwest when he joined WaterVoice (latterly the Customer Council for Water).

Since 2015 Anthony has been the deputy chair of the independent Bristol Water Challenge Panel where he helps to lead the challenge to the water company on behalf of customers.

Appendix 2

Performance charts

Outcome delivery incentives 2022/23 – c. 70% on track or ahead of target

 6	 10	 15	 10	 3
<p>Area of excellence Where performance has significantly exceeded our commitment</p>	<p>Outperformance Where performance has demonstrably exceeded our commitment</p>	<p>On track Where our performance has met our commitment or is within tolerance</p>	<p>Marginal underperformance Where we believe we have plans to quickly return performance to within committed levels</p>	<p>Area of focus Where significant work is underway to achieve plan commitments, with Executive-led improvement plans overseen by the Board</p>

Water

6 OF 10

Targets met/on track

Clean, safe and reliable drinking water

-  Water supply interruptions
-  Mains repairs
-  Unplanned outage
-  Taste, smell and colour contacts*
-  Efficient delivery of the new Alderney WTW
-  Water quality compliance (CRI)*
-  Efficient delivery of the new Knapp Mill WTW**

Available and sufficient resources

-  Water restrictions placed on customers
-  Leakage
-  Per capita consumption

Wastewater

6 OF 9

Targets met/within regulatory deadband

Reliable wastewater services

-  Internal sewer flooding
-  Sewer collapses
-  External sewer flooding incidents
-  Sewer blockages
-  Odour contacts from wastewater treatment works
-  Treatment works compliance*
-  Total wastewater treatment works (WWTW) compliance*
-  Descriptive compliance**/**
-  Compliance with sludge standard*

Customer

6 OF 8

Targets met/on track

Responsive to customers

-  D-MeX
-  Operational contacts resolved first time – water
-  Operational contacts resolved first time – wastewater
-  Customer satisfaction with value for money
-  British Standard for Inclusive Service Provision
-  Overall satisfaction of services received on the Priority Services Register
-  Priority services for customers in vulnerable circumstances

Sub-measures

-  Priority services for customers in vulnerable circumstances – reached
-  Priority services for customers in vulnerable circumstances – actual contacts
-  Priority services for customers in vulnerable circumstances – attempted contacts

-  C-MeX

4 OF 4

Targets met

Fair charging and affordable bills for all

-  Installation of AMR meters
-  Number of customers on one of our support tariffs
-  Voids for residential retail
-  Percentage of customers who find their water bill affordable

Environment

3 OF 6

Targets met/on track

Protecting the environment

-  Biodiversity – enhancement
-  Biodiversity – compliance*
-  Biodiversity – prevent deterioration
-  Pollution incidents*
-  Number of pollution incidents category 1-3 (water only)*
-  EPA*

Resilience

4 OF 5

Targets met/on track

Resilience

-  Resilient water and wastewater services on the Isles of Scilly
-  Resilience in the round – wastewater
-  Resilience in the round – water
-  Risk of sewer flooding in a storm
-  Risk of severe restrictions in a drought

Community

2 OF 2

Targets met/on track

Benefitting the community

-  Bathing water quality
-  Abstraction incentive mechanism**

* Calendar year incentive.

** Two performance commitments have no commitment for 2021/22 but are on track for future years' commitments.

*** Descriptive compliance was not achieved this year, but is within the regulatory deadband and is considered 'on track' for future years.

Appendix 3

Glossary

AAT

Acceptability and affordability testing

AIM

Abstraction Incentive Mechanism

BWCP

Bristol Water Challenge Panel

CCW

Consumer Council for Water

C-MeX

Ofwat's primary household customer measure of experience

COG

Company Oversight Group

CSO

Combined Sewer Overflow

D-MeX

Ofwat's developer measure of experience – applies to the service provided to Developers and Self Lay Providers in the Retail Market for Non-Household customers

DWI

Drinking Water Inspectorate

DWMP

Drainage Water Management Plan

EA

The Environment Agency

ICG

Independent Challenge Group

LTDS

Long Term Direction Statement

NE

Natural England

ODI

Outcome Delivery Incentive.

Ofwat

Water Services Regulation Authority – The economic regulator of the water sector in England and Wales

PC

Performance Commitment

PCC

Household per capita consumption

PR19

Price Review 2019

PR24

Price Review 2024

PSR

Priority Services Register

WaSC

Water and Sewerage Company

WINEP

Water Industry National Environment Programme

WRMP

Water Resources Management Plan

WTW

Water Treatment Works

For information on the economic regulation of the water industry in England and Wales including the setting of prices, the reader is directed to the regulator's website www.ofwat.gov.uk.

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