

OUR PLEDGES

OUR FIVE PLEDGES



We all need to use water wisely and we're committed to helping our customers do this by providing information, support and incentives.



Our Business Plan for 2020 to 2025 has one simple objective – to deliver more of what matters to our customers. It was built around our customers' priorities through an extensive engagement programme and led us to making five pledges to improve our service.

We've considered how the world around us is changing and made sure our plan is fit for the future. From climate change and population growth to smart technology, our pledges set out how we aim to transform our service and how we deliver it to our customers.

By delivering on our pledges, we'll not only provide a great service, but we'll contribute more to society. However, successful delivery is not entirely in our hands. Water is a precious resource and we live in an area where it's coming under increasing pressure because of the changing climate and higher demand. We all need to use water wisely and we're committed to helping our customers do this by providing information, support and incentives.

This year we have achieved 70% of our performance commitments and are working hard to improve in the areas where we missed our target.



3

Achieved our third Biodiversity Benchmark Award from The Wildlife Trusts for part of our Bough Beech Water Treatment Works



We've determined our CRI score to be 0.01, which is likely to place us as the top-ranking company when the DWI publishes its Annual Report in July 2024



85%

of customers on our support think the extra services we offer are helpful



High-quality water all day, every day

1



Fair prices and help when you need it

2



Support a thriving environment we can all rely upon

5

5 years, 5 pledges



Excellent service, whenever and however you need it

4



A service that is fit now and for the future

3



6.2km

of new water main laid in the past year

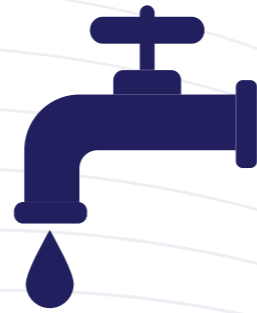


91%

Number of customer contacts resolved first time

OUR PLEDGES IN ACTION

WE'LL PROVIDE YOU WITH HIGH-QUALITY WATER ALL DAY, EVERY DAY



OUR PLEDGE IN ACTION

Nothing is more important to us than keeping our customers supplied with safe, clean water

HIGHLIGHTS

- For 2023, we reported a water quality risk index score of 0.01. This is likely to place us as industry-leading for water quality in the Drinking Water Inspectorate's (DWI) 2024 report. We had five small water quality events, which led us to reporting a low event risk index score of 5.9. This is likely to place us as one of the top-ranking companies for management of water quality events in the 2024 report
- We've continued to take actions to minimise the number of customers contacting us about the taste, smell or appearance of their water. Our annual performance is likely to continue to be significantly better than the industry average
- Our performance for supply interruptions continues to be excellent and we continue to work hard to minimise risk of interruption.



KPIs

Target met Target not met

WATER QUALITY - DWI COMPLIANCE RISK INDEX (CRI)
score

WHY DO WE MEASURE THIS?

All water companies in the UK are measured against the DWI's CRI to ensure our water is of the highest quality.

PERFORMANCE

We've determined our CRI score to be 0.01, which is likely to place us as industry-leading when the DWI publishes its Annual Report in July 2024.

2024	0.01
2023	0.01

MAINS REPAIRS
number/1,000 kilometres

WHY DO WE MEASURE THIS?

We want our network to be as resilient as possible, which is why we have a programme of mains replacement schemes across our supply area.

PERFORMANCE

While slightly over target, the number of bursts over the year has significantly reduced, demonstrating the underlying resilience of our network to again deliver top quartile industry performance.

2024	63.8
2023	101.5

WATER SOFTENING
number of periods exceeding hardness target (mg/l)

WHY DO WE MEASURE THIS?

We are unique in the industry in having a legal obligation to soften the groundwater we treat.

PERFORMANCE

A better performance than last year still resulted in missing our target. Work continues to improve resilience at two of our five softening sites.

2024	4.2
2023	5.6

SUPPLY INTERRUPTIONS
hours:minutes:seconds/property/year

WHY DO WE MEASURE THIS?

Although some planned interruptions to supply are unavoidable, we are always working to improve the long-term resilience of our supply network.

PERFORMANCE

Our performance this year continues to be excellent, again resulting in a financial reward from Ofwat. We continue to work hard to minimise risk of interruption.

2024	0:03:36
2023	0:03:51

TASTE, ODOUR AND DISCOLOURATION CONTACTS
number per 1,000 customers

WHY DO WE MEASURE THIS?

We have a challenging target to minimise the number of customers who need to contact us about the taste, smell or appearance of their water.

PERFORMANCE

We recorded 0.58 contacts per 1,000 customers this year, which is above our target limit of 0.50 so we will receive a financial penalty from Ofwat, but our performance is expected to be significantly better than the industry average.

2024	0.58
2023	0.64

OUR PLEDGES IN ACTION CONTINUED

WE'LL PROVIDE YOUR SERVICE AT A FAIR PRICE AND OFFER HELP WHEN YOU NEED IT



OUR PLEDGE IN ACTION

This year, we have been able to support our customers to pay their bills and provided financial support options when they have needed it the most.

HIGHLIGHTS

- Our average household bill for 2023/24 equated to around 60 pence a day
- More than 22,000 customers are benefitting from our Water Support scheme, which provides a 50% bill reduction to eligible people
- We continue to work in the community attending community hubs, foodbanks, assisted living schemes, job centres and advice cafes to promote our services and have attended more than 100 local events this year with our Extra Care team
- 9.3% of our customers are on our Priority Services Register, which provides extra support to those who have health, access or communication needs
- More than 80% of our customers think the extra services we offer are helpful
- We reduced the volume of connected properties with no billing account to just 2.38% on average across the year, meaning more customers are paying for the water they are using
- We have data sharing in place with UK Power Networks, as well as Southern Water, which has helped us identify customers who need extra help from us.



KPIs

Target met Target not met

SUPPORTING CUSTOMERS IN FINANCIAL HARDSHIP

number

WHY DO WE MEASURE THIS?

We continue to welcome more customers, who are struggling financially, onto our Water Support Scheme, which provides a 50% bill reduction to eligible people.

PERFORMANCE

Approximately 2,800 more customers now receiving financial help from our water support programme.

2024	22,229
2023	19,476

CUSTOMERS ON OUR PRIORITY SERVICES REGISTER

%

WHY DO WE MEASURE THIS?

Our priority services register provides extra support to customers who have health, access or communication needs, and helps us tailor the help we can offer.

PERFORMANCE

A 30% increase in customers now on PSR as a result of improved marketing, community events and data sharing.

2024	9.3%
2023	7.0%

VULNERABLE SUPPORT SCHEME HELPFULNESS

%

WHY DO WE MEASURE THIS?

It is important we are tailoring our support in the right way to help those who need it.

PERFORMANCE

Stronger scheme helpfulness with a focus on improved customer understanding enabling tailored marketing and the introduction of stronger trusted partnerships with local community groups.

2024	85.1%
2023	81%

VOID PROPERTIES

%

WHY DO WE MEASURE THIS?

We have a target to reduce the number of 'void' properties in our supply area, which means they are connected to our network but not charged for any water.

PERFORMANCE

Improved rate of billed properties as a result of an enhanced void investigation and billing programme.

2024	2.38%
2023	2.43%

VULNERABLE SUPPORT SCHEME AWARENESS

%

WHY DO WE MEASURE THIS?

Promotion of our support schemes is important so people are aware of the financial help available to them.

PERFORMANCE

Improved awareness across customer base with stronger community partnerships built. However, we haven't met our target.

2024	39.5%
2023	38.0%

PROPORTION OF CUSTOMERS WHO BELIEVE THEIR BILL IS NOT GOOD VALUE

% dissatisfied

WHY DO WE MEASURE THIS?

It is important our customers feel they are getting good value for the service they receive from us.

PERFORMANCE

A challenging year for value for money perception impacted by wider socio-economic, geo-political factors as well as a growing negative industry narrative.

2024	7.2%
2023	5.0%

OUR PLEDGES IN ACTION CONTINUED

WE'LL PROVIDE YOU WITH A SERVICE THAT IS FIT NOW AND FOR THE FUTURE



OUR PLEDGE IN ACTION

We target our investment in our infrastructure every year where it is needed most and are using innovative technology to provide a better service to our customers.

HIGHLIGHTS

- We have stayed at or below the maximum allowed level of leakage every year since the target was first set more than 20 years ago and have once again met our leakage reduction target, which is industry leading
- We have laid 6.2 kilometres of new water main in the past year and progressed a number of key mains replacement schemes across our supply area. As a result we are on track to meet our target for the number of mains repairs in the remaining year of the Asset Management Plan (AMP)
- We completed an important mains replacement scheme on the busy A22 Godstone Road in Purley, directly benefitting 27,000 properties in the Purley area and vastly improving the resilience of the local water supply network. This also means we're nearing completion of a 15-year resilience programme we've been progressing since 2010. By 2025, every property across our region will be supplied by more than one treatment works if, due to operational challenges, this is needed. Other key mains replacement schemes have been completed this year in areas such as Dorking, Cobham, Leatherhead and Fetcham
- Our ongoing focus on operating, maintaining and investing in our water treatment works means we have again achieved our unplanned outage target.



KPIs

Target met Target not met

LEAKAGE REDUCTION
MI/day



RISK OF SEVERE RESTRICTIONS IN A DROUGHT
% customers



WHY DO WE MEASURE THIS?

Managing leakage is one of our customers' top priorities and a key focus for us to reduce it.

WHY DO WE MEASURE THIS?

We operate in a water-stressed region, therefore we need to monitor our water resources closely.

PERFORMANCE

Our focus on improving operational practices and embedding innovation continues to deliver positive results with leakage reduced by nearly 15% from four years ago*.

2024	20.7
2023	22.8

PERFORMANCE

Our resilience to drought, during a year of comparative recovery from the challenges of 2022, continues to be strong.

2024	0.0
2023	0.0



UNPLANNED OUTAGES AT TREATMENT WORKS
%



RISK OF SUPPLY FAILURES
% of properties connected to more than one treatment works



WHY DO WE MEASURE THIS?

There are times when unexpected incidents reduce the performance of our water treatment works or require us to take them out of service for maintenance.

WHY DO WE MEASURE THIS?

By 2025, we plan for every property to be supplied by more than one treatment works if needed.

PERFORMANCE

Improved for the second year running (and remaining as upper quartile performance) our ongoing focus on operating, maintaining and investing in our water treatment works continues to meet our unplanned outage target.

2024	0.81%
2023	0.93%

PERFORMANCE

Ongoing preparatory works for the final phase of our resilience programme progressed well in the year. We are on target to hit 100% resilience by March 2025.

2024	81%
2023	81%

* We are continuing to conduct work – overseen by Ofwat – to ensure our water balance reporting is fully compliant with all regulatory guidelines. While we are confident in the accuracy of our leakage reporting, we have agreed with Ofwat that we will not seek to apply for any outperformance payments associated with our leakage performance until this work is concluded.

OUR PLEDGES IN ACTION CONTINUED

WE'LL PROVIDE EXCELLENT SERVICE, WHENEVER AND HOWEVER YOU NEED IT



OUR PLEDGE IN ACTION

We want the most satisfied customers in the country and to get there we are fundamentally changing a lot of what we do and significantly investing in our people, our policies and the systems they use.



HIGHLIGHTS

- We're currently 14th in the C-MeX ranking, which is below where we want to be. We continue to work hard to make sure we are meeting customer expectations and improving the experience they receive. We will do so by continually investing in our systems, people and processes
- Our high first call resolution levels have been maintained
- We have re-launched a clearer customer journey for those being fitted with a water meter, following direct customer feedback
- We have conducted customer surveys following local bursts to help us learn and improve our future actions for customers during incidents
- We are making sure our customer data is as up to date as possible, by checking with customers during each interaction
- We actively seek to learn from others and embrace independent challenge working closely with Ofwat, Consumer Council for Water (CCW), and Water UK, and build relationships with other water companies
- We remain committed to employing a Customer Scrutiny Panel, a relationship and source of feedback we value immensely.

KPIs

Target met ✓ Target not met ✗

C-MEX (INDUSTRY MEASURE OF CUSTOMER SATISFACTION)



FIRST CONTACT RESOLUTION



D-MEX (INDUSTRY MEASURE OF DEVELOPER SATISFACTION)



score

%

score

WHY DO WE MEASURE THIS?

C-MeX is the industry metric for measuring customer satisfaction and experience across all companies.

WHY DO WE MEASURE THIS?

It is important that our customers receive an excellent, tailored resolution every time they contact us.

WHY DO WE MEASURE THIS?

D-MeX is the industry metric for measuring developer satisfaction and experience across all companies.

PERFORMANCE

Our performance remains below industry average although we continue to be determined to improve our customers' satisfaction with our services.

PERFORMANCE

High first call resolution levels maintained.

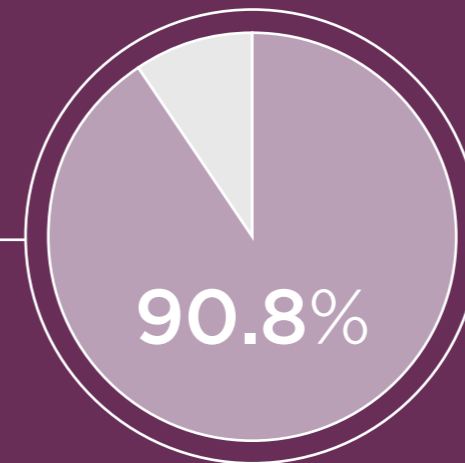
PERFORMANCE

We expect to complete the year in 17th place, as last year, and continue to work hard to embed improvements in service and fully understand and deliver against developers' changing needs

2024	72.45%
2023	76.03

2024	90.8%
2023	85.1%

2024	86.97%
2023	84.91%



Number of customer contacts resolved first time



OUR PLEDGES IN ACTION CONTINUED

WE'LL SUPPORT A THRIVING ENVIRONMENT WE CAN ALL RELY ON



OUR PLEDGE IN ACTION

We are committed to reducing the impact of our operations by achieving net zero carbon emissions and continuing to implement more sustainable ways of pumping, treating and distributing millions of litres of water every single day.

HIGHLIGHTS

- We achieved our third Biodiversity Benchmark Award from The Wildlife Trusts for part of our Bough Beech water treatment works, while retaining the awards we already have at our Elmer and Fetcham Springs sites. We are the only water company to currently hold the accreditation
- We have reduced our carbon footprint by 3.5% in the last year alone
- Three quarters of our customers are already metered and we are looking to provide meters for 90% of our customers by March 2025
- Our vehicle fleet now comprises 43% electric and hybrid vehicles, with each electric car helping to save 2-3 tonnes of CO₂e per year, as well as reducing the impact on local air quality
- We have continued our partnership with Run Series to support both Run Gatwick and Run Reigate as the events' official water provider, avoiding more than 48,000 single-use plastic water bottles from being given out at each event
- We've also supplied water at Feasty Fest, Pride In Surrey and the YMCA Fun Run
- We've continued to work with Bore Place, a charity local to our Bough Beech site, and a number of other partners to assess opportunity to develop biodiversity net gain on a landscape scale.



KPIs

Target met ✓ Target not met ✗

CONSUMPTION

litres consumed per person per day



GREENHOUSE GAS EMISSIONS

kgCO₂e/megalitre



ABSTRACTION INCENTIVE MECHANISM

average megalitres reduction



WHY DO WE MEASURE THIS?

We operate in a region classified as being in serious water stress, which is why we have a target to reduce the amount of water each customer in our supply area uses per day.

WHY DO WE MEASURE THIS?

We are committed to achieving net zero operational carbon emissions.

WHY DO WE MEASURE THIS?

The Abstraction Incentive Mechanism (AIM) means we will reduce abstraction of water from environmentally sensitive sites when flows or levels are low, but this has not been necessary this year.

PERFORMANCE

Less challenging weather conditions in the last year have helped offset the drought impact from 2022. Coupled with progression of our metering programme and water efficiency work, our PCC is now on a sustained downward trend but remains above our target.

PERFORMANCE

The progression of our net zero carbon plan has seen further reductions in greenhouse gases this year through ongoing energy efficiency and switching of fleet to pure electric vehicles and heating to non-fossil fuel alternatives.

PERFORMANCE

We remain compliant with our AIM target, focused on reducing abstraction in chalk catchments during sensitive times of year.

2024	146.4
2023	150.8

2024	40.3
2023	41.0

2024	Compliant
2023	Compliant

RIVER-BASED IMPROVEMENT - DELIVERY OF WATER INDUSTRY NATIONAL ENVIRONMENT PROGRAMME (WINEP)

number of schemes



POLLUTION INCIDENTS

number of category 1 and 2 incidents



LAND-BASED IMPROVEMENT - BIODIVERSITY

number of sites awarded benchmark



WHY DO WE MEASURE THIS?

We are committed to improving the ecology and the quality of water in rivers through delivery of WINEP.

WHY DO WE MEASURE THIS?

We are committed to not harming the environment.

WHY DO WE MEASURE THIS?

We are committed to protecting and improving the biodiversity at all of our sites.

PERFORMANCE

We continue to deliver our programme of work agreed with the Environment Agency (EA). In June 2023, as a result of the Ofwat and EA plan realigning, we became fully compliant with this performance commitment.

PERFORMANCE

We continue to deliver our commitment to creating zero serious pollution. No category 1 or 2 pollution incidents have been caused by us in over 16 years.

PERFORMANCE

We are delighted to have achieved accreditation at Bough Beech - our third and final target site for this Asset Management Plan (AMP). This collectively paves the way for our Biodiversity Net Gain Strategy from 2025.

2024	7
2023	6

2024	0
2023	0

2024	3
2023	2