

PART ONE

Thank you for agreeing to participate in this important project.

The research event will involve discussing future investment plans for Portsmouth Water and Southern Water

- Please read the following information before coming to the research event. This is designed to give you some background information to the topics we will be discussing.
- This exercise should take no longer than 20 minutes
- Please don't worry if you don't understand or remember the information – it will all be recapped during the research – and there will be time for questions.
- Please complete the short survey at the end of the document at least the day before the event.



Water companies in England and Wales

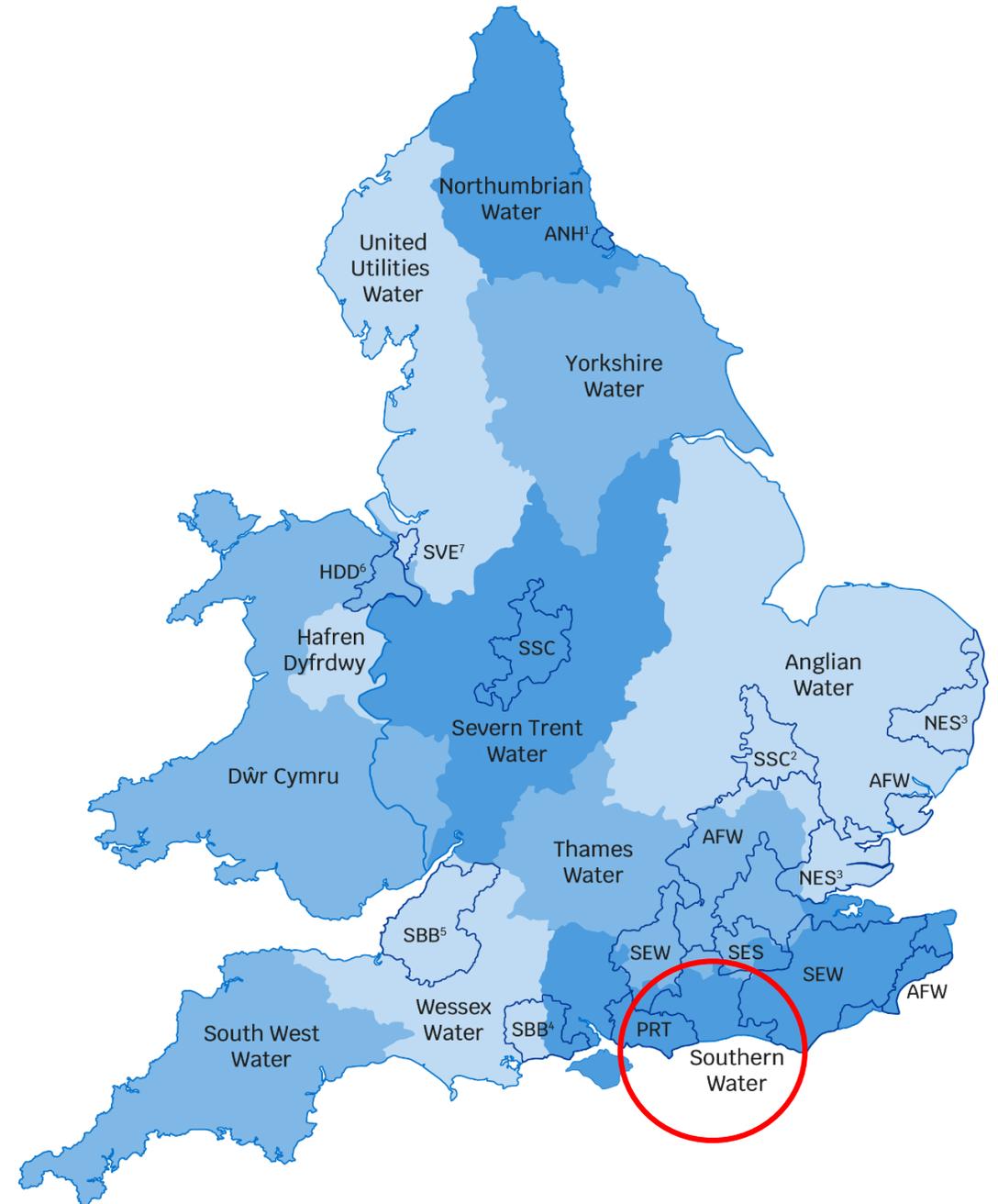
There are 11 water companies that provide **both water and sewerage services**

There are also 5 companies that provide **water services only**

Some households have 2 separate suppliers:

e.g. people in the Portsmouth Water area receive **water services from Portsmouth Water** and **sewerage services from Southern Water**

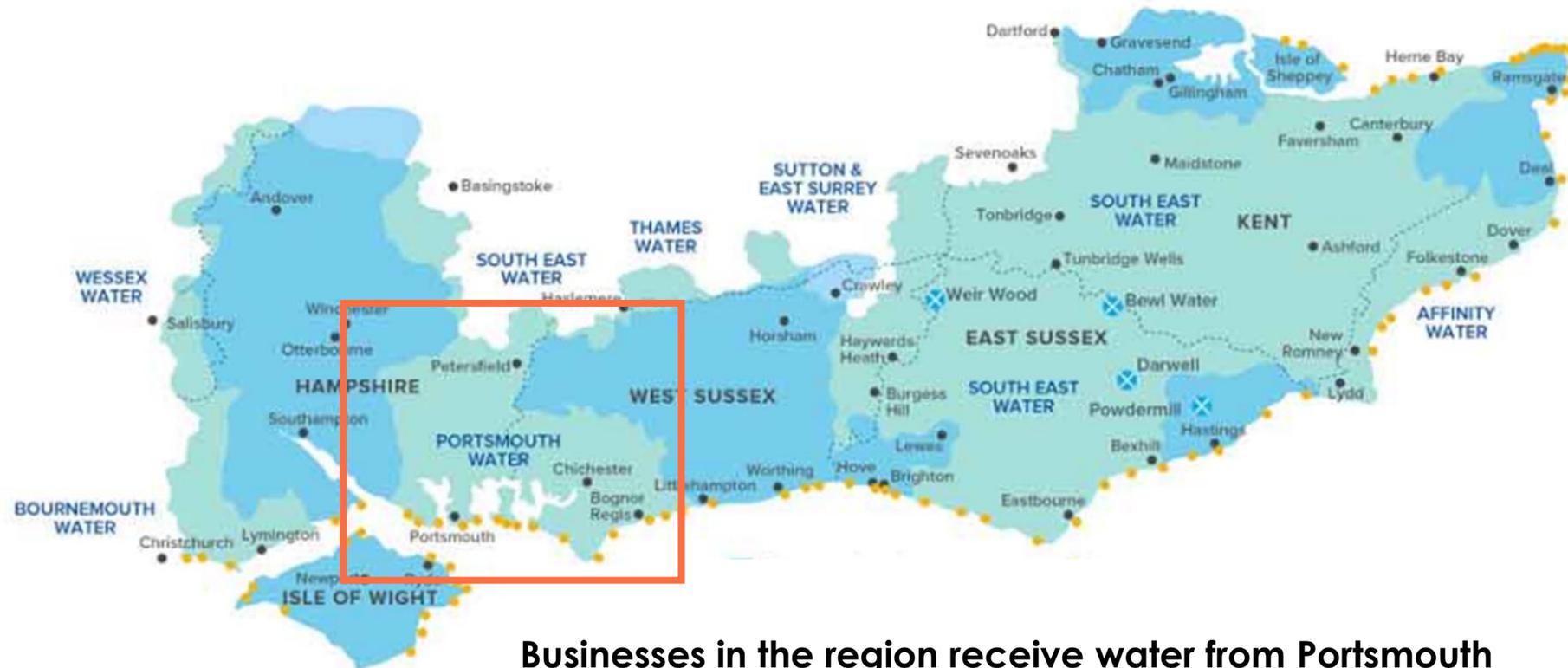
Business customers can choose their water and sewerage retailer. While this retailer is the first point of contact for business customers, water companies (also known as the 'wholesaler') still provide water and sewerage services to business customers on behalf of the retailer.



Where do Portsmouth Water and Southern Water operate?



- Portsmouth Water provides **water supply services** across Hampshire and West Sussex, serving the towns of Portsmouth, Chichester, Fareham, Gosport, Havant and Bognor Regis.
- It provides clean drinking water to 324,000 homes and businesses in the area.



Businesses in the region receive water from Portsmouth Water, but primarily deal with their retailer who bills them and provides customer services.



- Southern Water provide **wastewater services** to more than 4.6 million customers across Kent, Sussex, Hampshire and the Isle of Wight, **including in Portsmouth and Bognor Regis**
- It also provides water to 2.6 million customers in the region, **but not in Portsmouth and Bognor Regis**

Every five years, **water companies develop a 'business plan'** that sets out how they want to develop their services, and the proposed cost to customers.

As customers are not able to choose their water company, water companies must give them a say about **what they want from their services and the price they pay.**

Talking to customers also helps water companies **prioritise what to do first or what to do most of** – because they are not able to fund everything they would like to do or do all of the things that customers might want them to do.





The business plan and prices are then **finalised by Ofwat** in a process known as the Price Review. There is more information about this here: 'All about the price review'. Available at:

<https://www.youtube.com/watch?v=OWmivC93AF8>

One of the ways that people have their say is through this research, which will explain what the plans are for where you live, and ask what you think – whether the plans are '**acceptable**' to you and whether you can **afford** the proposed bills from 2025-2030.

Companies also have to show to Ofwat that their **plans reflect what their customers want** – that means refining the plans based on what customers tell them.





Water services

Provided by



Wastewater services

Provided by:



1. Water is collected and treated

2. Clean water supplied to homes and businesses

3. Customers receive safe water

4. Customers can flush and forget...

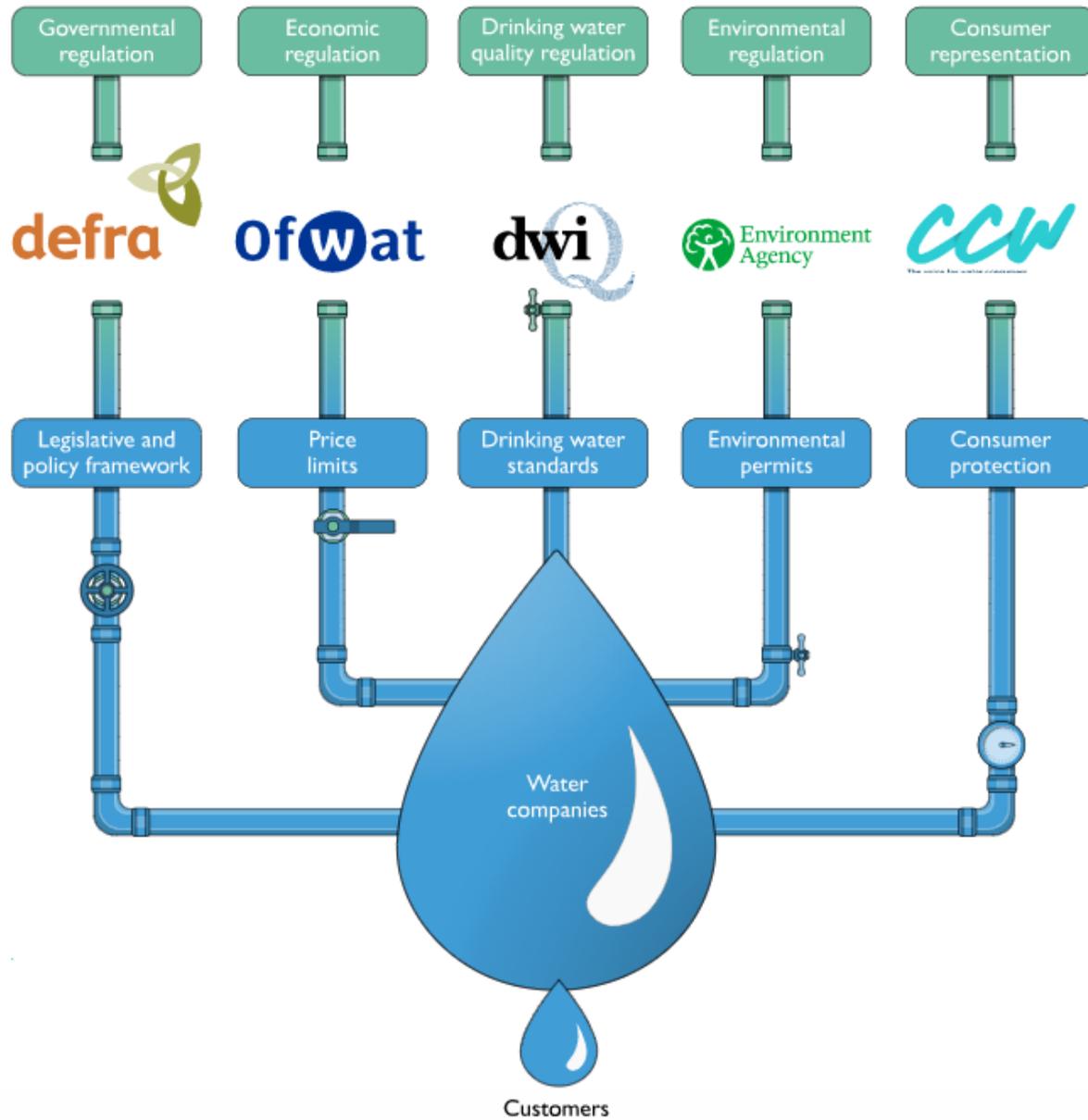
5. Wastewater is collected

6. Wastewater treated & returned to the environment

7. Customer services and billing

You receive bills and customer service from your water retailer

Who regulates water companies?



Water companies are heavily regulated.

There are tough consequences if companies fail to meet their legal requirements, or their commitments for customers and the environment.

Defra: Department for Environment, Food and Rural Affairs

DWI: Drinking Water Inspectorate

CCW: Consumer Council for Water

Water companies are currently part way through their five-year business plan for 2020 to 2025. They have **service level targets, called ‘performance commitments’**, in every five-year business plan.

These **targets are based on what customers have previously told companies they would like them to do**, and on Ofwat’s assessment of what companies should deliver. These targets cover a wide range of the different services that water companies provide.

Ofwat monitors water company performance against each performance commitment every year to see if they have met the service level in their business plan.

We are now going to show you how well your water and/or sewerage company is doing on some of their performance commitments, compared to other water companies in England and Wales. These performance commitments are a snapshot of the wide range of services companies provide. We are showing these examples as customers have told us they are particularly important to them.

Water companies have to provide **reliable services**, and plan for their services to be **resilient** to changing weather patterns and demand from consumers.

Companies can **miss** or **exceed** performance commitment targets for a number of reasons.

For example, leaks from pipes happen more often after very cold weather, which can contribute to a company not meeting the target, and flooding from sewers is less likely in dry weather, which can lead to higher performance for sewer flooding service targets

Example:

Water company sets a performance commitment based on customer priorities:

To reduce leakage from water mains and pipes

The company **exceeds the target** and reduces leakage by an amount above the target

The company is **rewarded by Ofwat**: customers pay a bit more on their bills because the company has delivered more improvements in the areas that matter to customers

The company **misses the target** and only reduces leakage by an amount below the target

The company is **penalised by Ofwat**: in following year(s) customers pay a bit less on their bills to compensate for poorer service than promised



How has my bill been affected by Ofwat's penalties and incentives?

- Southern Water **passed 8** and **failed 9** performance commitment targets and had a net negative £40.1m, as they were behind targets. This is returned through a household and business customer bill reduction.
- Last year Portsmouth Water **passed 18** and **failed 8** performance commitment targets, earning an overall reward £0.755m, meaning that this amount could be obtained through household and business customer business bills. However, £0.333M of reward was deferred to future years, reducing bill increases during the current cost-of-living crisis.

PART TWO

Next we are showing you how Portsmouth Water and Southern Water perform in relation to other water companies across England and Wales

- The water industry uses a number of measures to assess performance. Because the water companies are very different in size and number of customers, these measures are often ‘normalised’ to give a fair comparison
 - E.g. on the next slide you’ll see information about the number of minutes households are without water per property per year. This is an average: in reality, most houses don’t experience problems but some will be without water for longer periods. But to be able to compare companies, the total interruption time is divided by all households in the region
- Please read the information and consider where you are happy with Portsmouth Water’s and Southern Water’s performance – and where you would like to see improvements.



Water supply interruptions, without warning, for 3-6 hours



If a water supply is interrupted without warning for between 3 and 6 hours, it would not be possible to draw water from the taps or flush the toilet; it may be necessary to buy bottled water.

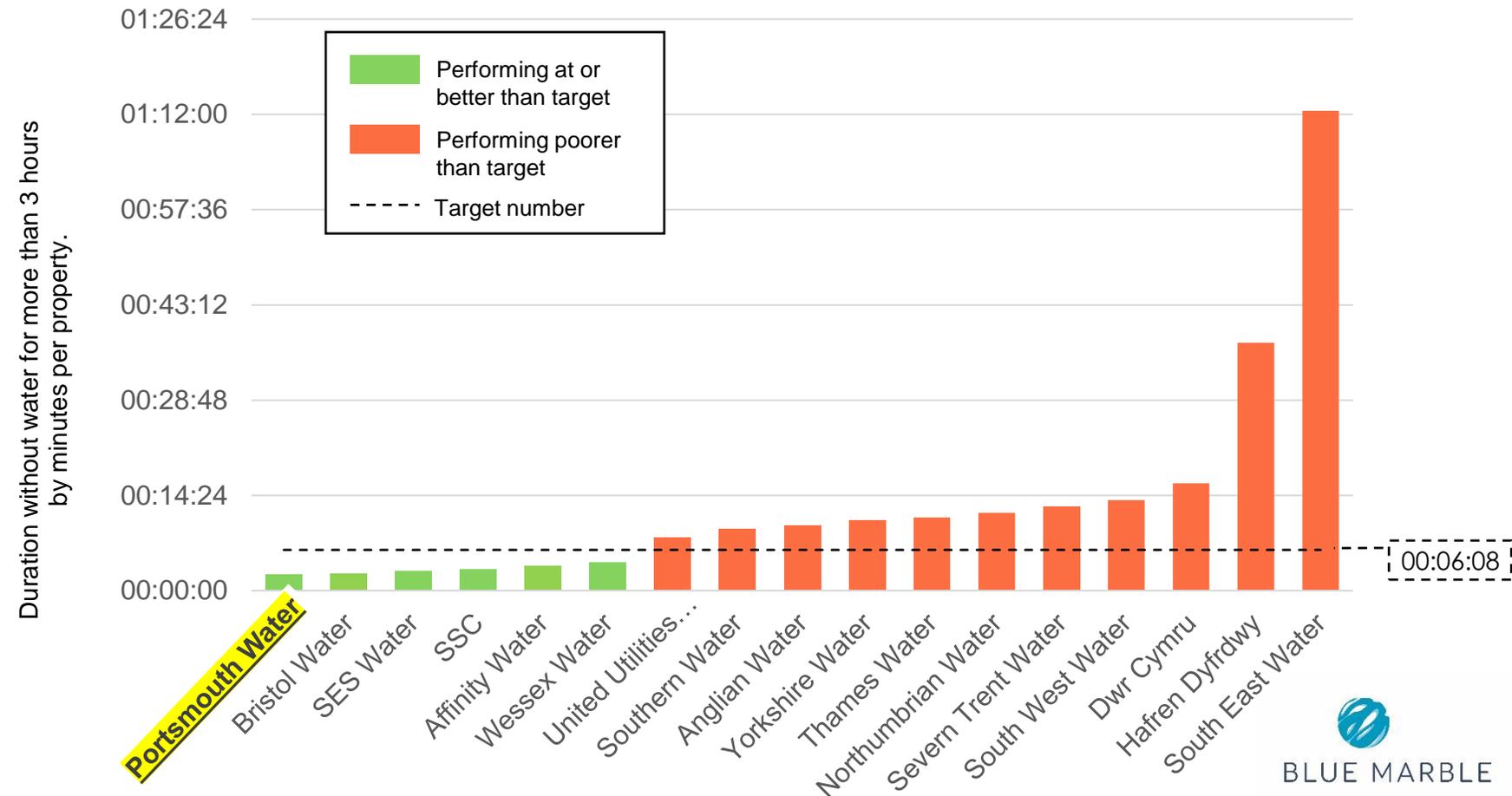
Company performance against target.
(A lower percentage is better.)

Water and Sewerage company	Performance Against Target
Portsmouth Water	-62%
Bristol Water	-59%
SES Water	-52%
SSC	-47%
Affinity Water	-39%
Wessex Water	-32%
United Utilities Water	+30%
Southern Water	+53%
Anglian Water	+60%
Yorkshire Water	+73%
Thames Water	+80%
Northumbrian Water	+92%
Severn Trent Water	+106%
South West Water	+123%
Dwr Cymru	+164%
Hafren Dyfrdwy	+511%
South East Water	+1083%

Water companies measured on the length of time properties are without water.



Duration without water for more than 3 hours
by minutes per property.
(A lower bar / number is better.)



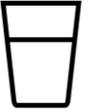
The appearance, taste and smell of tap water

Tap water may look discoloured or taste/smell different to usual. Although still safe to drink, people may prefer bottled water as a precaution until it returns to normal.

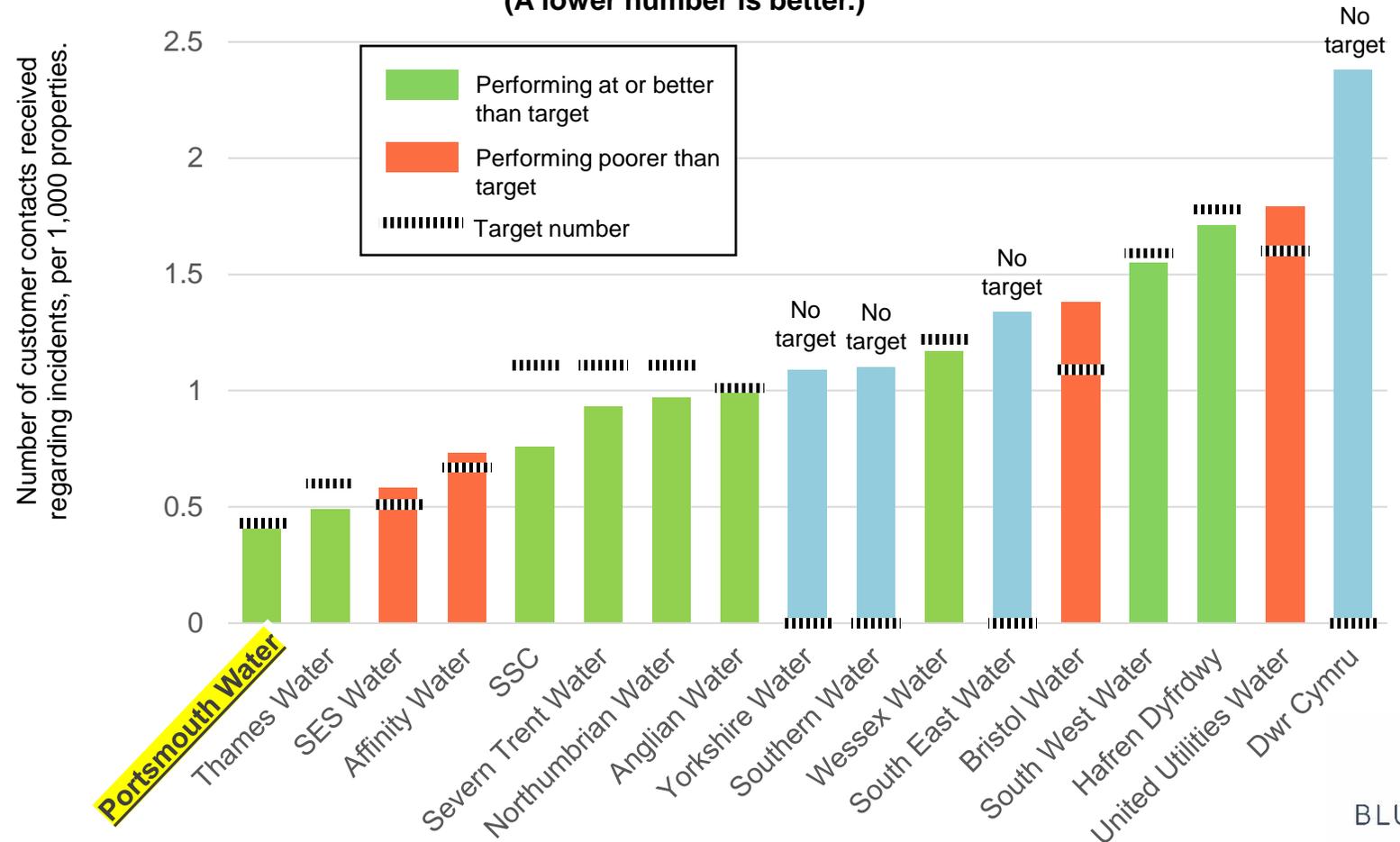
Company performance against target.
(A lower percentage is better.)

Water and Sewerage company	Performance Against Target
Portsmouth Water	-5%
Thames Water	-18%
SES Water	+14%
Affinity Water	+9%
SSC	-32%
Severn Trent Water	-16%
Northumbrian Water	-13%
Anglian Water	+2%
Yorkshire Water	No target
Southern Water	No target
Wessex Water	-4%
South East Water	No target
Bristol Water	+27%
South West Water	-3%
Hafren Dyfrdwy	-4%
United Utilities Water	+12%
Dwr Cymru	No target

Water companies measured on the number of customer contacts regarding the appearance, taste and smell of tap water.



Number of customer contacts received regarding incidents, per 1,000 properties.
(A lower number is better.)



Sewage flooding of properties

An escape of sewage inside properties is highly inconvenient, disruptive and a potential health risk. In bad cases, people need to move out of their properties while things are put right.

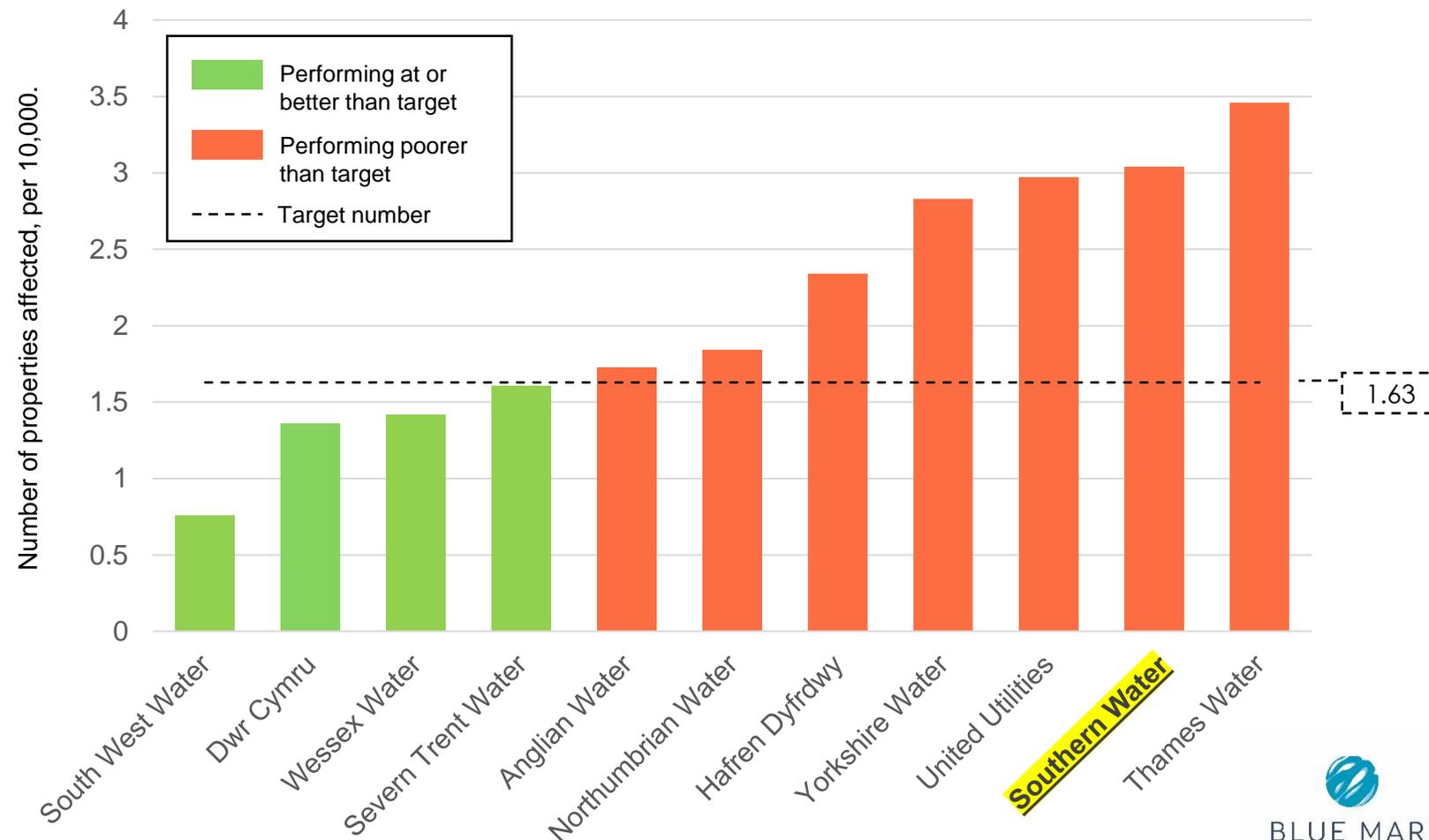
Company performance against target.
(A lower percentage is better.)

Water and Sewerage company	Performance Against Target
South West Water	-53%
Dwr Cymru	-17%
Wessex Water	-13%
Severn Trent Water	-1%
Anglian Water	+6%
Northumbrian Water	+13%
Hafren Dyfrdwy	+44%
Yorkshire Water	+74%
United Utilities Water	+82%
Southern Water	+87%
Thames Water	+112%

Water companies measured on the incidents of sewage flooding properties.



Number of properties affected, per 10,000.
(A lower number is better.)



Sewage flooding of gardens or outbuildings

An escape of sewage into gardens or access points to peoples' properties is inconvenient and unpleasant and can restrict access.

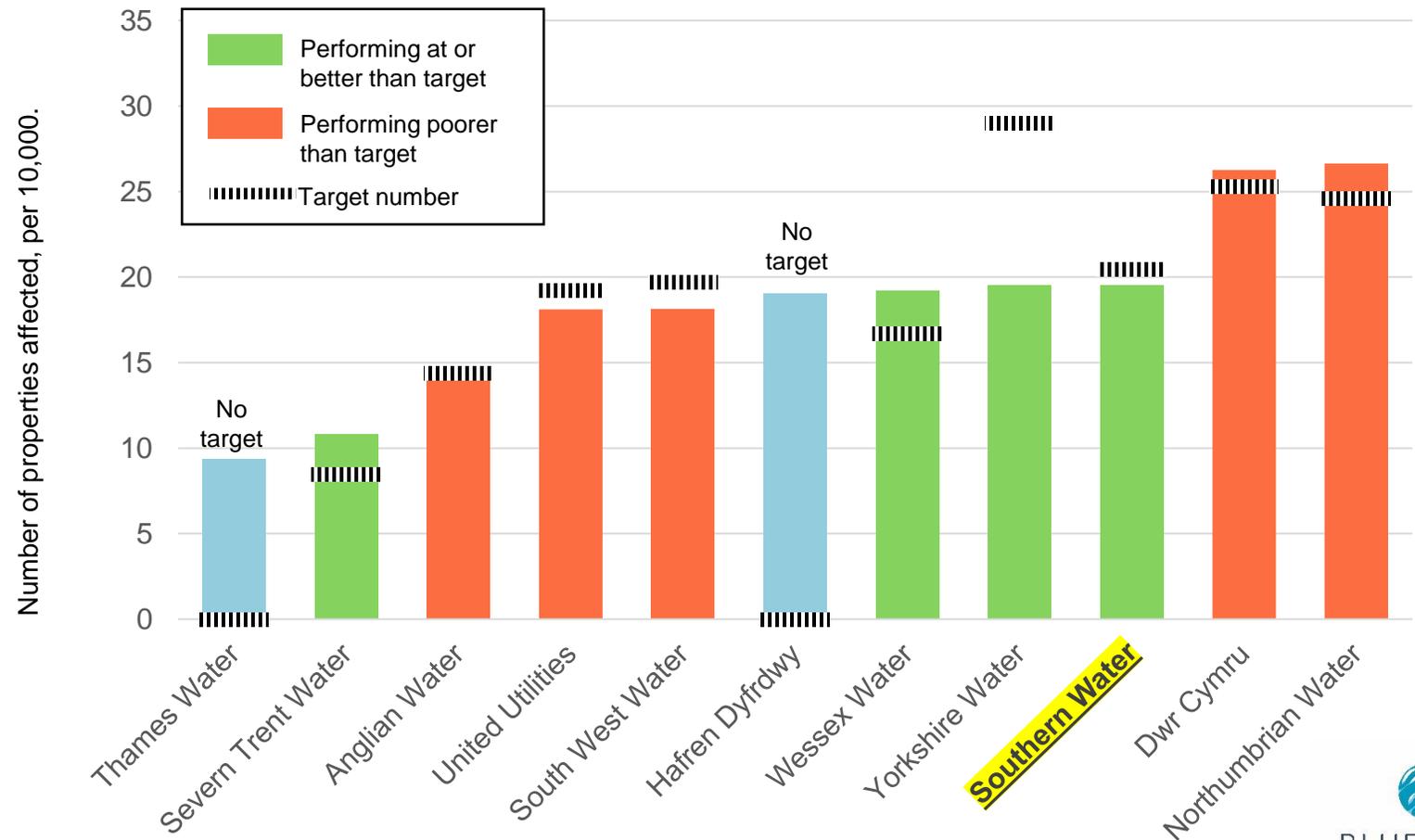
Company performance against target.
(A lower percentage is better.)

Water and Sewerage company	Performance against target
Thames Water	No target
Severn Trent Water	+27%
Anglian Water	+1%
United Utilities Water	-6%
South West Water	-8%
Hafren Dyfrdwy	No target
Wessex Water	+15%
Yorkshire Water	-33%
<u>Southern Water</u>	<u>-4%</u>
Dwr Cymru	+4%
Northumbrian Water	+8%

Water companies measured on the incidents of sewage flooding gardens or outbuildings.



Number of properties affected, per 10,000.
(A lower number is better.)



Reducing leaks

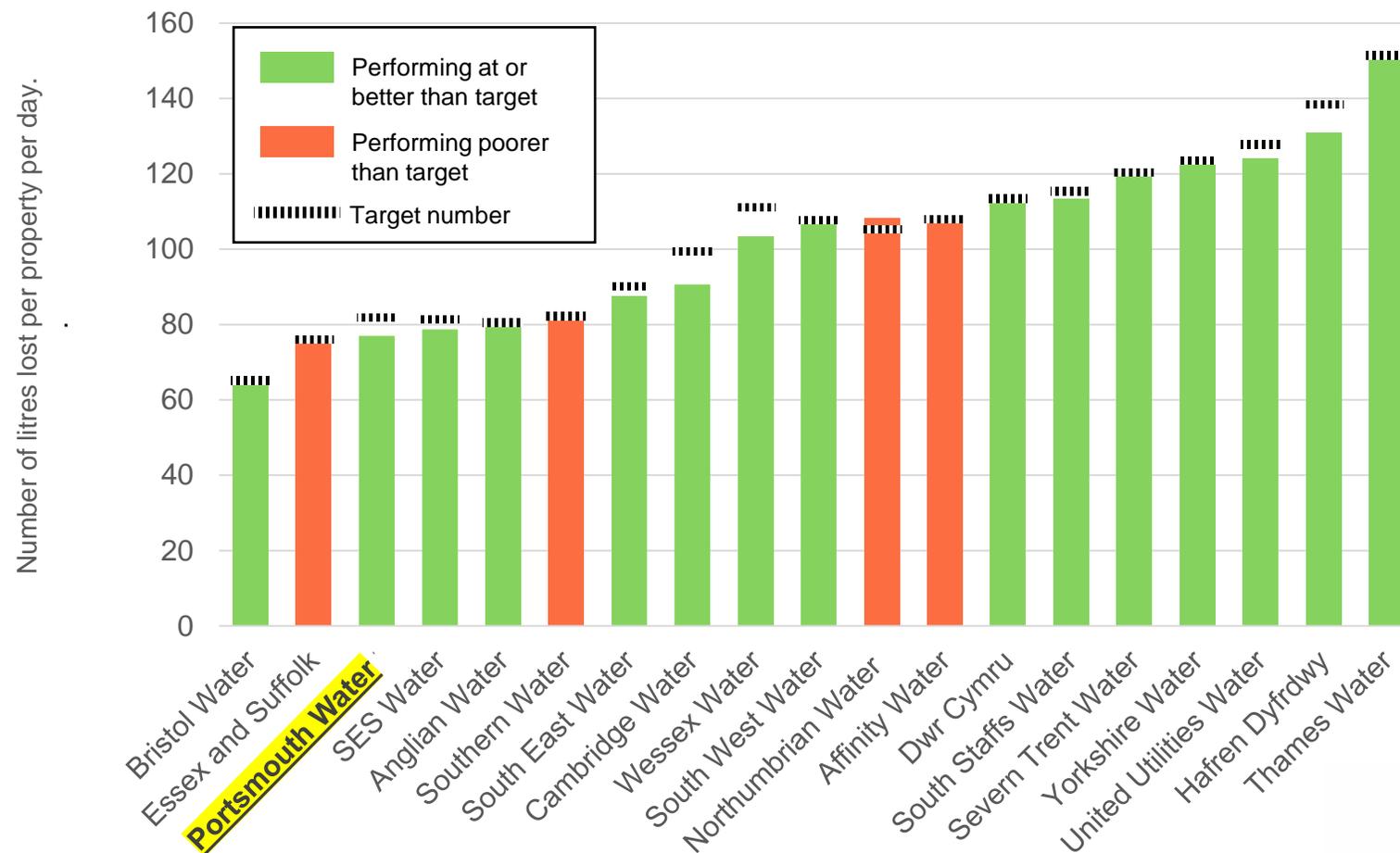
Leaks can affect customers directly if their water supply is affected. They are sometimes unnoticed if underground. But leakage is often seen in the media and has a cost to people on their bills and a cost to the environment.

Company performance against target.
(A lower percentage is better.)

Water and Sewerage company	Performance against target
Bristol Water	-0.3%
Essex and Suffolk	+0.5%
Portsmouth Water	-6.0%
SES Water	-3.3%
Anglian Water	-0.5%
Southern Water	+1.1%
South East Water	-2.8%
Cambridge Water	-8.8%
Wessex Water	-7.1%
South West Water	0%
Northumbrian Water	+2.9%
Affinity Water	+0.6%
Dwr Cymru	-1.0%
South Staffs Water	-1.7%
Severn Trent Water	-0.6%
Yorkshire Water	-0.5%
United Utilities Water	-2.9%
Hafren Dyfrdwy	-5.3%
Thames Water	0%

Water companies measured on the amount of water lost due to leaks from water mains and pipes.

Number of litres lost per property per day.
(A lower number is better.)



Pollution of rivers and bathing waters

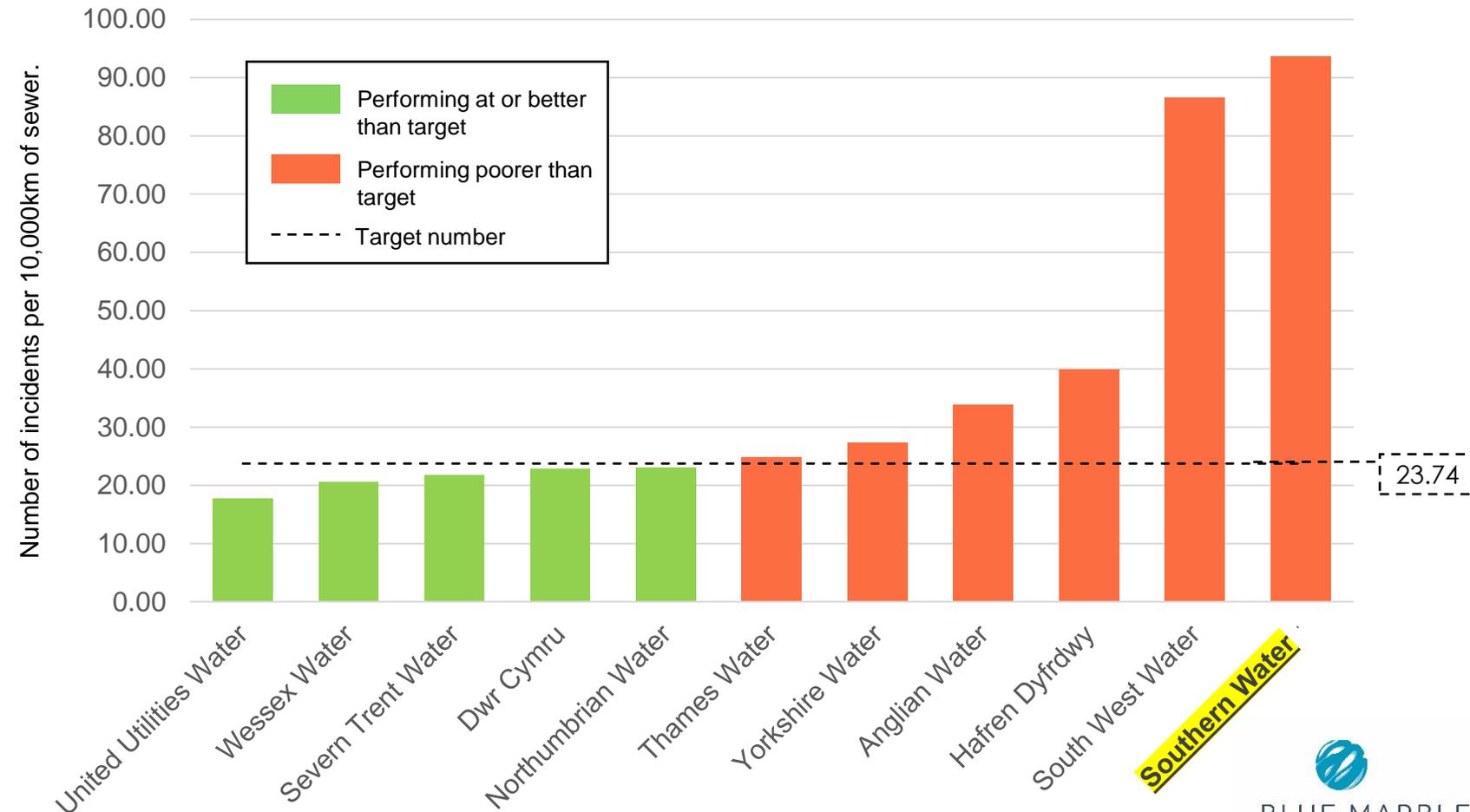
Discharges from sewage treatment or networks can affect rivers and bathing waters. This can have a minimal effect on the river ecology or a major effect depending on the scale.

Company performance against target.
(A lower percentage is better.)

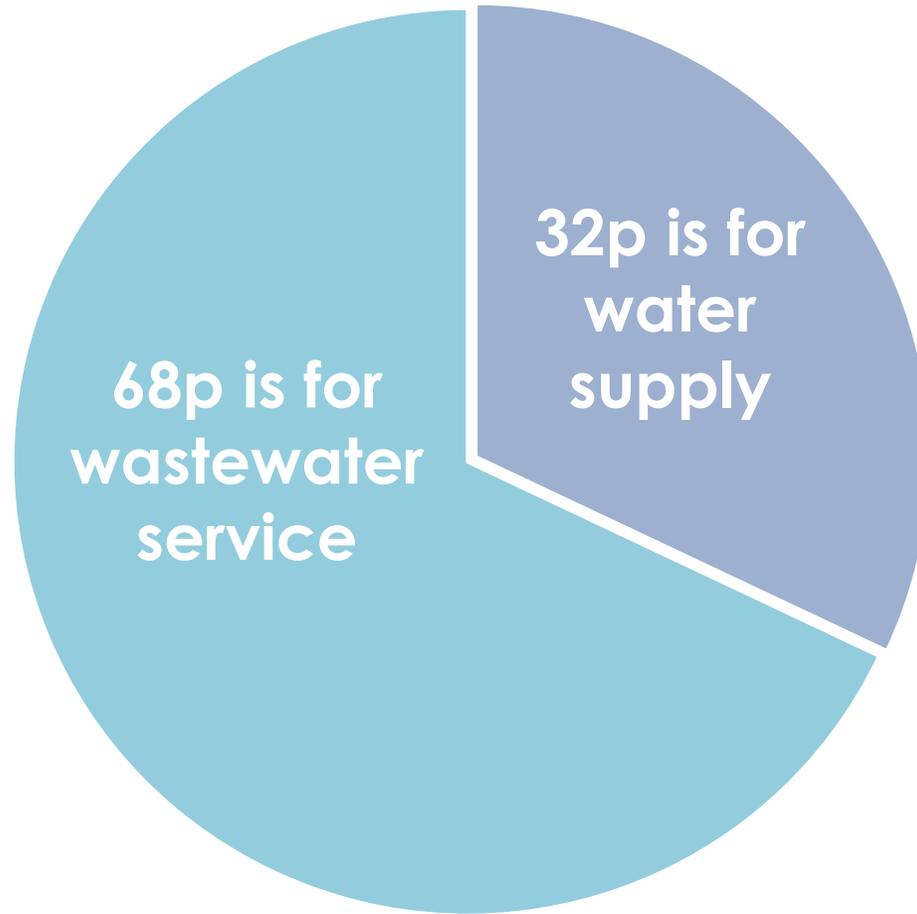
Water and Sewerage company	Performance against target
United Utilities Water	-25.3%
Wessex Water	-13.2%
Severn Trent Water	-8.1%
Dwr Cymru	-3.6%
Northumbrian Water	-3.2%
Thames Water	+4.7%
Yorkshire Water	+15.3%
Anglian Water	+42.2%
Hafren Dyfrdwy	-70.9%
South West Water	+264.7%
Southern Water	+294.4%

Water companies measured on the number of incidents of pollution of rivers and streams.

Number of incidents per 10,000km of sewer.
(A lower number is better.)



For an average business customer, for every £1 spent:



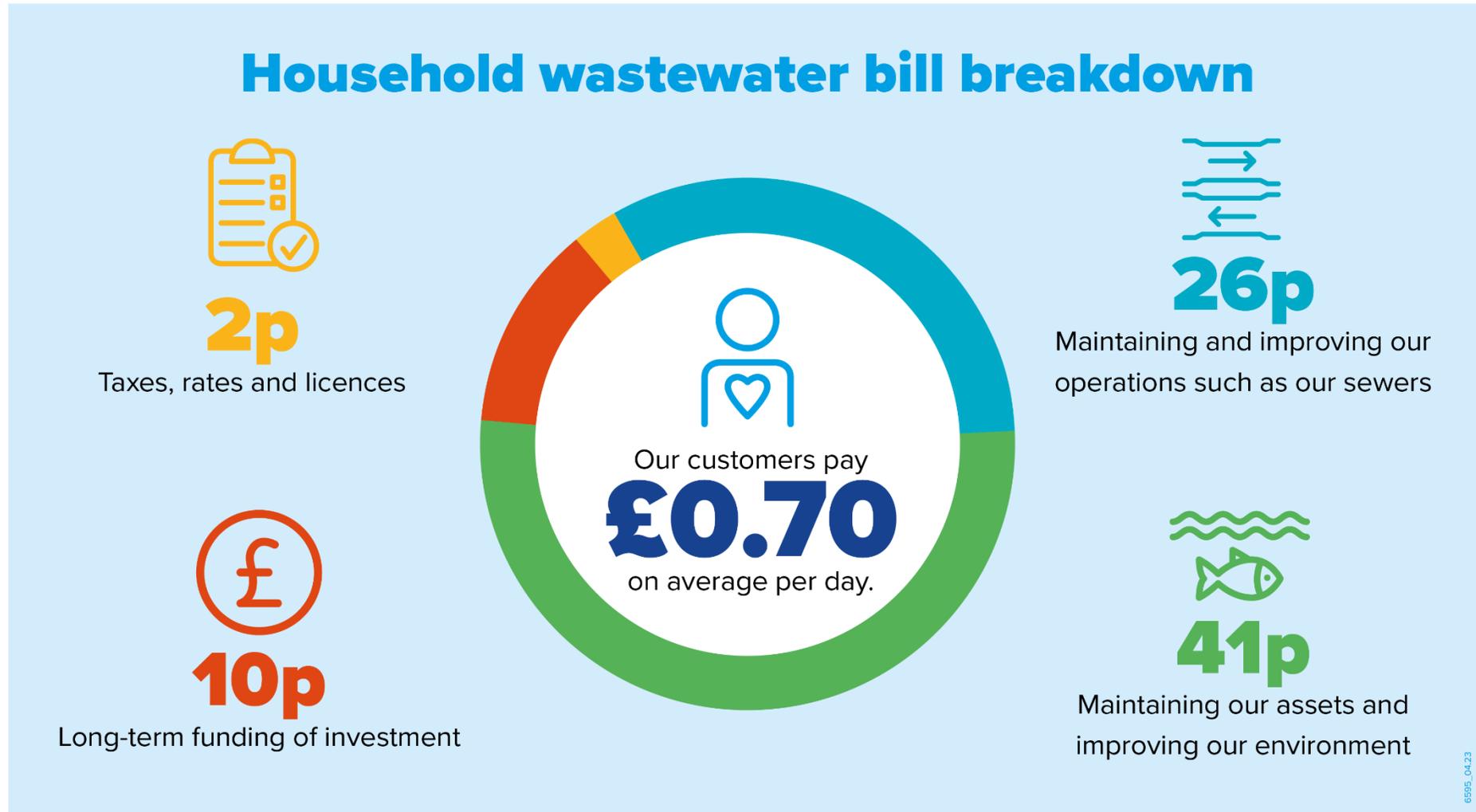
Your water bill



How your bill is made up...



The below figure is for household customers – businesses pay approximately £2.10 per day



PART THREE

Finally we are showing you a headline summary of Portsmouth Water's & Southern Water's proposed business plans for 2025-30.

- Please remember that Portsmouth Water's business plan relates to your drinking water services, while Southern Water's plans relate to your wastewater services
- We will be discussing in more detail all the different elements of this plan when we meet you at the research event
- Once you've read it, please us the short (3 question) survey to note down your comments and questions
- Remember that this research is about customers like you having their say on the plans before they are submitted to the regulator.



Climate change impacts



- Warmer, drier summers and wetter winters predicted
- More frequent droughts and floods
- Adapting to climate change
- Net zero

Population changes



- Meeting infrastructure needs for new housing
- Managing pollution risks from increased load to sewers
- Building sustainable drainage for storm water

New and existing statutory requirements



- Managing pollution
- Managing water 'abstraction'
- Managing demand: reducing what we all use
- Protecting rivers and coasts
- Environmental protections
- Water quality

Economic factors



- Cost of living crisis and affordability of bills
- Inflation





Portsmouth Water has 4 long term outcomes

This is what they aim to achieve by 2050 at the latest

Affordable bills



- No water poverty by 2030
- Lowest water bills in UK
- Customer hub for 24/7 access to the support needed – embracing digital revolution while keeping a personal approach

Safe and secure water



Protect and enhance environment



- Enhanced drought resilience through Havant Thicket Reservoir (2029)
 - Reduce leakage by 50% by 2040
 - Support customers to reduce personal usage by 25%
 - Universal smart water metering by 2035
 - No restrictions on usage, even in severe drought
 - Enhance biodiversity on all the sites
- Portsmouth Water own

High-quality, resilient, net zero services



- No exposure to lead
- Fully net zero
- Industry leader on performance for burst pipe numbers, interruptions, leakage and a genuine SMART network
- Restore all chalk streams
- Industry-leading tech to protect the network against cyber-attacks

Great customer experience



- Choice of tariffs based on needs, priorities and ability to help the environment
- Leading customer service providers & lowest level of complaints in the industry
- Inform all customers where their water comes from and their impact on environment
- Work with business customers to reduce water use and achieve universal smart metering
- Co-create new markets for water resources, supporting crucial local industries to become more sustainable



Southern Water has 4 long term priorities

This is what they aim to achieve by 2050 at the latest

Understanding and supporting our customers and communities



- Continue to provide great customer service
- Continue to ensure services are affordable to all
- Provide industry leading services in meeting customer needs
- Provide accurate & timely communication to enable customers to make considered decisions

Enable and empower its people

- Provide a safe, collaborative and inclusive workplace
- Support people to develop rewarding careers that meet their goals
- Make people feel proud and passionate about succeeding together

Protect and enhance environment



Net zero

- Strive to have a positive impact on the environment
- Reduce serious pollution from storm overflows to zero
- Restore all chalk streams and improve quality of all the protected habitats they impact in the region
- Capture more rainwater in the environment to reduce storm overflows
- Go beyond net zero carbon

Other things that will help Southern Water achieve its priorities

-

Business enablers



- Enhance performance through innovation and technology, with the systems and data they need
- Continue to develop a business with resilient services and finances
- Work collaboratively with stakeholders and partners to base decisions on a 'nature first' approach

1



Proposed plan

This is the water company's proposed plan and includes extra work over and above what they are required by law to provide extra benefits to customers, the environment and local communities

2



'Must do' plan

This plan allows water companies to carry out the work that they are required to do by law

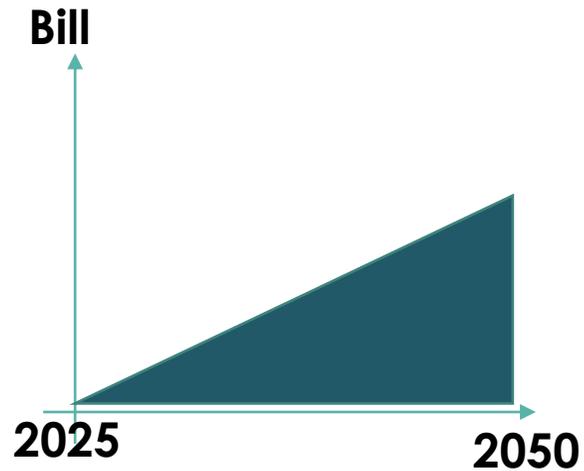
Also the **least cost** plan



Portsmouth Water & Southern Water's proposed commitments to improve on the key performance areas						
				TODAY's performance	Target by 2030	What this will add to your bill, per year
	Supply interruptions		Average time without water per household	2 minutes 15 seconds	 2 minutes 15 seconds	£2.01
	Water Quality		Contacts per 1,000 population	0.41 contacts	 0.33 contacts	£0
	Internal sewer flooding		Incidents per 10,000 connections	1.04	 0.99	} £1.08
	External sewer flooding		Incidents per 10,000 connections	15.5	 14.7	
	Leakage		Litres per property per day	77	 56	£1.65
	Pollution		Incidents per 10,000km of sewer	19.4	 17.7	£18

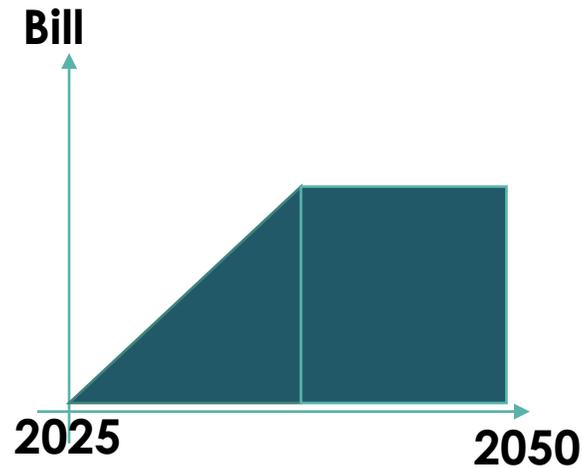
(on top of average business water bill of £1000)





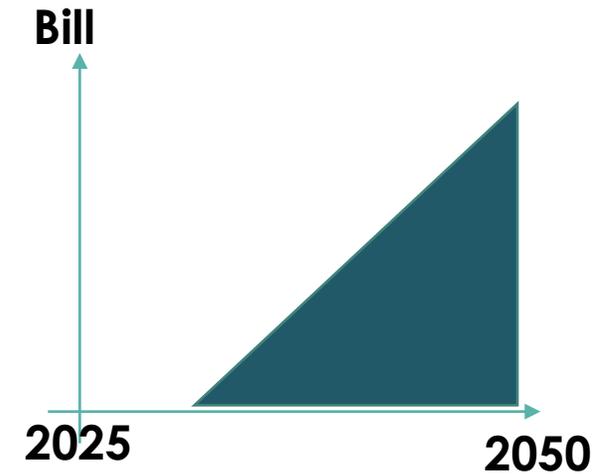
Bills rise steadily over time, and there is an even level of improvement over time

*In this scenario, **today's bill payers and future bill payers** will see a steady increase to their bills*



Bills increase in the next few years, allowing improvements to be made sooner.

*In this scenario, **today's bill payers** will see the biggest increase to bills*



No bill increase now, then the bill increases more sharply so the benefits are delivered later

*In this scenario, **future bill payers** will see the biggest increase to bills*



Portsmouth Water's Business Plan for 2025 - 2030



WATER SUPPLY INTERRUPTIONS LASTING LONGER THAN THREE HOURS

CHALLENGE

Maintain our water supplies as the most reliable in the country, and at least as reliable as they are today (an average of 2 minutes 15 seconds).

2025-2030

Invest more to upgrade ageing water treatment works, pumps and water mains. To maintain our industry leading service, would cost an additional £3.35 plus inflation on bills by 2030.

LONG TERM

Keep our services the most reliable in the country and work towards no interruptions beyond three hours.



THE APPEARANCE, TASTE AND SMELL OF TAP WATER

Maintain our position as one of the best performing companies with lower contacts than the industry target.

Add more ultraviolet treatment to our works, partner with landowners to stop pollutants reaching water sources and replace more water mains.

Keep our water quality contacts among the lowest in the country.



REDUCING LEAKS

Maintain our position as one of the best performing companies and reduce leaks from 77 litres per property per day to 56 litres by 2030.

Transform our network into a 'smart' one to monitor flows, employ advanced sound and satellite technology, repair leaks on customers' supply pipes free of charge (conditions apply) and increase our workforce. Our fast-track plan to reduce leakage would cost an extra £2.75 plus inflation on bills by 2030.

Halve leakage by 50% by 2040, 10 years earlier than we must.

WHERE WE'D LIKE TO INVEST TO DO MORE



INSTALLING SMART METERS

CHALLENGE

Our customers use more water than most in the UK. We need to make better use of water available and find and fix more leaks to meet the challenges of climate change, population growth and to protect the environment.

2025-2030

Install smart meters for nearly half our customers, supported by water-saving advice and tools for households and businesses, as well as free leak repairs on supply pipes (conditions apply). We'll make sure all customers can afford their bill.

LONG TERM

Install smart meters for all households by 2035 and trial innovative water-saving tariffs.



REMOVING LEAD PIPES

Lead water pipes are now banned because they can impact the development of young children. We've replaced most lead pipes on our network and use harmless chemicals to reduce traces of lead. We want to remove lead pipes completely.

Replace lead pipes so all schools and vulnerable homes can access water with no exposure to lead by 2030, and at a further 15% of homes. The 15% of homes would cost an extra £41 million and add £5.25 plus inflation on bills by 2030.

Find and replace lead pipes at all homes by 2060.



IMPROVING THE ENVIRONMENT

The environment we rely on is under threat from climate change. We want to further improve land we own for plants and animals and give more grants to help others create wildflower meadows, ponds, improve woodlands and do research.

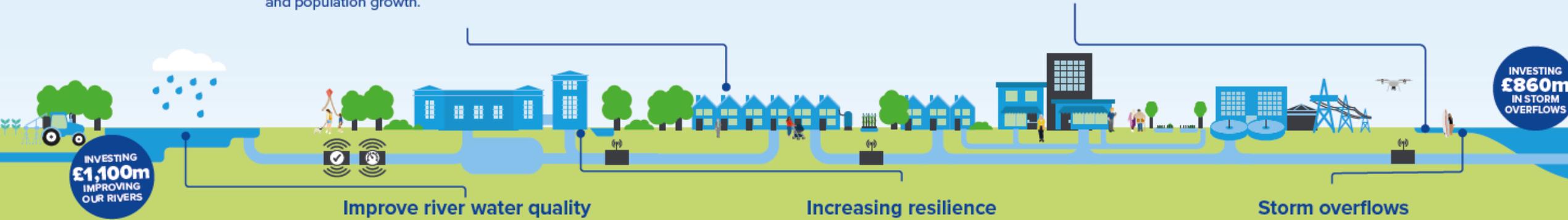
Improve the environment at our key sites and double the grants we give each year to £100,000. To increase our environmental work would cost an extra £4.75 million and add 40p plus inflation on bills by 2030.

Continue to invest in environmental partnerships to maintain the environment for water supplies.



Southern Water's business plan for 2025-30

Common areas across water companies	Sewer flooding	Pollution incidents
By 2030 we'll...	focus on customers most frequently impacted and reduce internal flooding from 1.04 to 0.99 and external flooding from 15.5 to 14.7 per 10,000 homes.	focus where it matters most to reduce serious incidents to zero . We'll also reduce overall incidents from 19.4 to 17.7 per 10,000km of sewer.
We'll do this by...	working in partnership to reduce pressures on our networks and prevent water entering our sewers – as well as using data to predict where flooding might happen.	improving how we predict where issues might happen by installing better monitoring, making our assets more resilient and investing in new ways to prevent rainwater entering the system.
By 2050 we'll...	build a fully digital network, which enables us to prevent issues from happening and is resilient to the impacts of climate change and population growth.	continue protecting the environment and reducing pollution as a top priority.



	Improve river water quality	Increasing resilience	Storm overflows
By 2030 we'll...	reduce the impact of nutrients and chemicals on around 1,000km of rivers.	have protected at-risk sites from coastal erosion and power outages to help improve the reliability of our services.	reduce storm overflow spills by 25%, prioritising environmentally sensitive areas like shellfish waters and 27 top spilling overflows.
We'll do this by...	upgrading our treatment works to meet new standards and working with partners to restore habitats, create new ones and prevent diffuse pollution from farms, industry and roads.	upgrading our sites to make them more resistant to extreme weather and work with partners to reduce the risks from coastal erosion and subsidence.	using innovative ways to reduce the amount of rainwater entering our sewers, installing more monitors to identify issues faster and building storage tanks for the long-term.
By 2050 we'll...	have restored all the chalk streams in our region and improved the quality of all the protected habitats and all waterbodies to be meeting good ecological status.	have greater protection from climate change, population growth and a smarter, more resilient network.	reduce spills from storm overflows by up to 75% and improve all bathing areas to excellent standard.

Our customers' other priorities

(nb – above figures reflect increases on average household bill – these amounts would be approx. 3 times higher for average business water bill of £1000)

Water supply interruptions



£2.01 per year

By 2030

(on top of average business water bill of £1000)



- Portsmouth Water's services are the most reliable in the country and the number of households likely to be without water for more than three hours in any year is 1 in 100, compared to an industry average of 1 in 20
- Climate change means we'll experience extreme weather events, such as droughts or freezing winters, more frequently. This will put more pressure on the pumping stations, supply works and pipes. Some of the network needs replacing and upgrading to meet today's challenges.

- Maintain water supplies as the most reliable in the country
 - At least as reliable as they are today (an average of 2 minutes 15 seconds).
- Invest more to upgrade ageing water treatment works, pumps and water mains
- Remain on 1 in 100 chance of a water interruption of more than three hours



Long term target:

Keep its services the most reliable in the country and work towards no interruptions beyond three hours.



Water supply interruptions



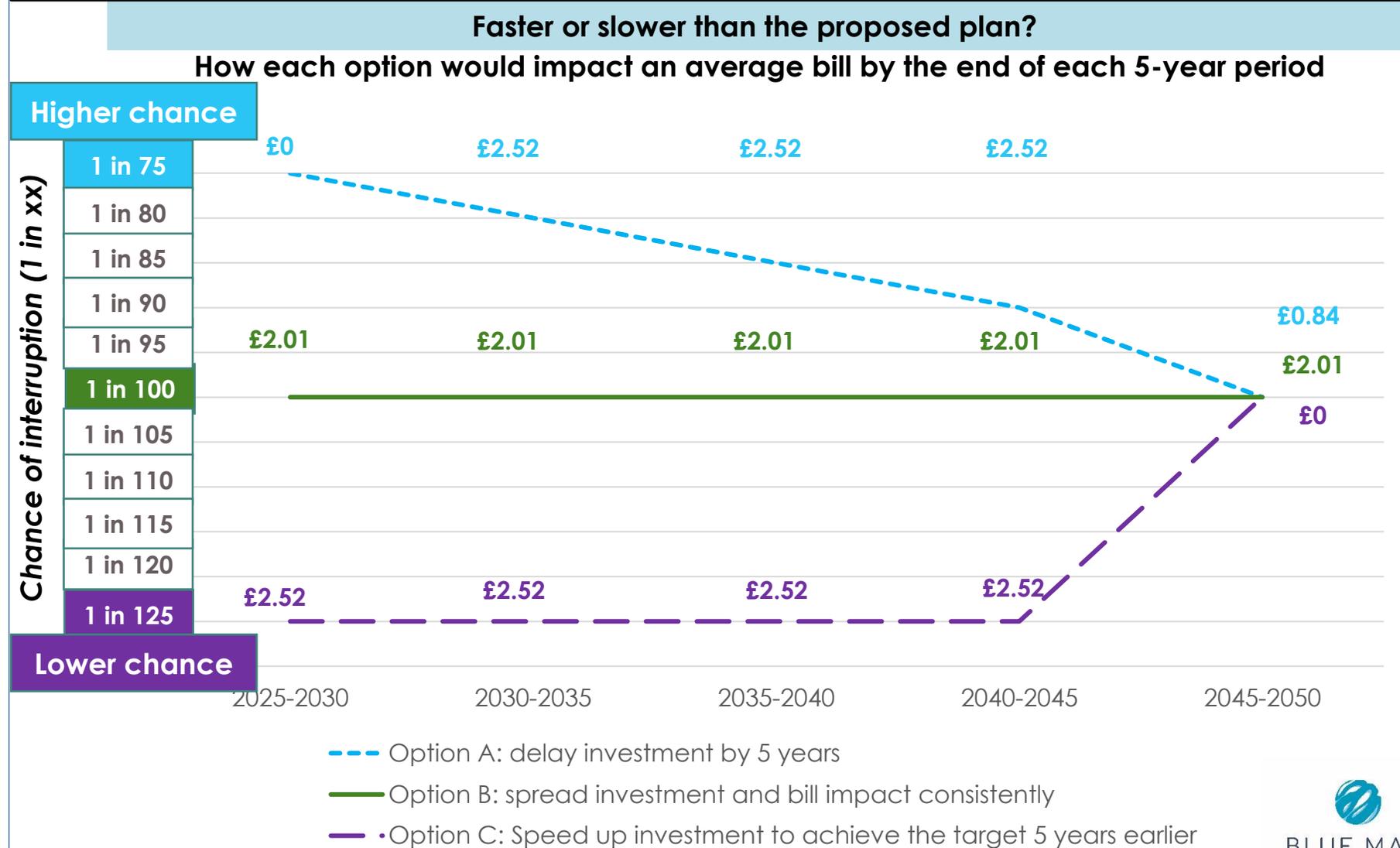
You can inform the plan.

Option A is to delay investment

Option B is the proposed plan.

Option C is speed up investment

- Maintain water supplies as the most reliable in the country, and at least as reliable as they are today (an average of 2 minutes 15 seconds).
- Invest more to upgrade ageing water treatment works, pumps and water mains. Keep services the most reliable in the country and work towards no interruptions beyond three hours.
- 1 in 100 chance of interruption



Water quality



Legally required
No say

£0 per year



- Portsmouth Water is one of the best performing companies with a lower number of customers contacting it about appearance, taste and smell of tap water than the industry target.

- Portsmouth Water wants to maintain its industry leading position, by:
 - Adding more ultraviolet treatment to its works
 - Partner with landowners to stop pollutants reaching water sources, and
 - Replace more water mains



Long term target:

Keep its water quality contacts among the lowest in the country.



Reducing leakage



£1.65 per year

By 2030

(on top of average business water bill of £1000)



- Reducing leakage means:
 - More clean water available to meet demand
 - Lower environmental impact on rivers as less water abstracted
 - Smaller carbon footprint as less water abstracted, treated and pumped

- Maintain position as one of the best performing companies, reducing leakage from 77 litres per property per day to 56 litres per property per day
- Transform the network into a 'smart' one to monitor flows, employ advanced sound and satellite technology, repair leaks on customers' supply pipes free of charge (conditions apply) and increase our workforce.



Long term target :

Halve leakage by 2040, 10 years earlier than government expectations. This is equivalent to saving 16M litres/day, enough to supply Bognor Regis for a day



Leakage

- Maintain position as one of the best performing companies, reducing leakage from 77 litres per property per day to 56 litres per property per day
- Transform the network into a 'smart' one to monitor flows, employ advanced sound and satellite technology, repair leaks on customers' supply pipes free of charge (conditions apply) and increase our workforce.



 You can inform the plan.

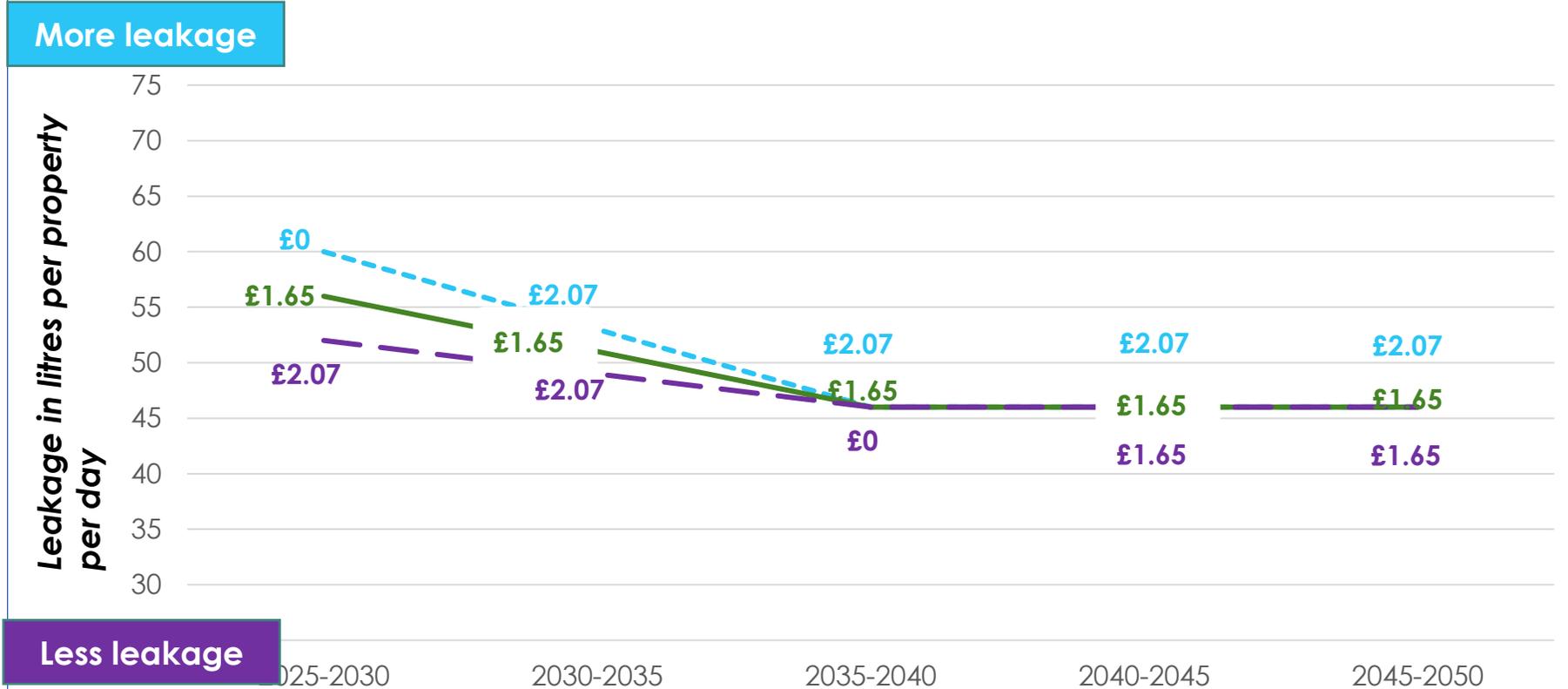
Option A is to delay investment

Option B is the proposed plan.

Option C is speed up investment

Faster or slower than the proposed plan?

How each option would impact an average bill by the end of each 5-year period



Less leakage

- Option A: delay investment by 5 years
- Option B: spread investment and bill impact consistently
- Option C: Speed up investment to achieve the target 5 years earlier

Removing lead pipes



£3.15 per year

By 2030

(on top of average business water bill of £1000)



- Lead used to be a common material used for water pipes, both in water companies' networks and in people's homes. However, it was banned for new pipes because it can impact the health and development of very young children
- In areas where there are lots of properties with lead service pipes, water companies dose the water with phosphate (a harmless chemical) to reduce lead being picked up in the drinking water
- Portsmouth Water replace lead pipes that belong to them when they find them, and let our customers know how to replace theirs when they find them too.
- Portsmouth Water wants to remove lead pipes completely

- Replace lead pipes so all schools and vulnerable homes can access water with no exposure to lead by 2030
- And replace lead pipes in a further 15% of homes



Long term target :

Find and replace lead pipes at all homes by 2060.



Removing lead pipes

- Replace lead pipes so all schools and vulnerable homes can access water with no exposure to lead by 2030
- And replace lead pipes in a further 15% of homes (from 2025, equivalent to 12300 additional homes)



You can inform the plan.

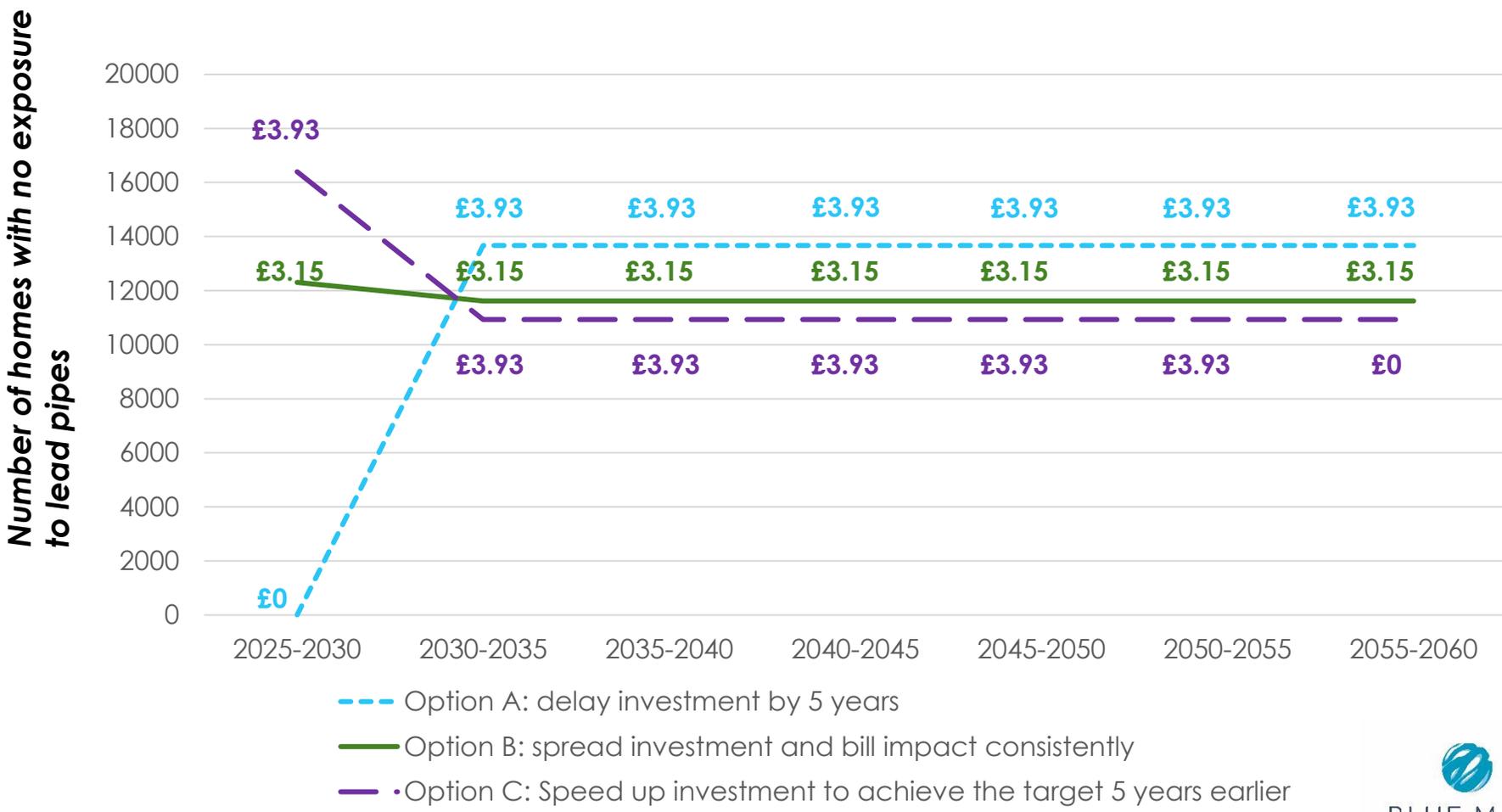
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Faster or slower than the proposed plan?

How each option would impact an average bill by the end of each 5-year period



Improving the environment



£0.24 per year

By 2030

(on top of average business water bill of £1000)



- The environment we rely on is under threat from climate change.
- Portsmouth Water makes £50,000 available in grants every year to help partners improve our environment.
 - In recent years grants have been awarded to the South Downs National Park (to restore Staple Ash Farm Pond) , the Arun and Rother Rivers Trust (to conduct a walkover survey on the river Ems) and Wickham Parish Council (to fence and bank planting to protect water voles at Wickham Water Meadows).

- Improve the environment at key sites
 - Site ecological surveys on, for instance, wolveroles, otters, bats and reptiles
 - Planting of trees, and hedgerows, creating ponds, restoring chalk streams and creation of bat and bird resting and breeding places
- Double the grants we give each year to £100,000
- Increase environmental work



Long term target: Maintain all key sites in 'good' ecological status



BLUE MARBLE

Improving the environment

- Improve the environment at key sites
- Double the grants we give each year to £100,000
- Increase environmental work



 You can inform the plan.

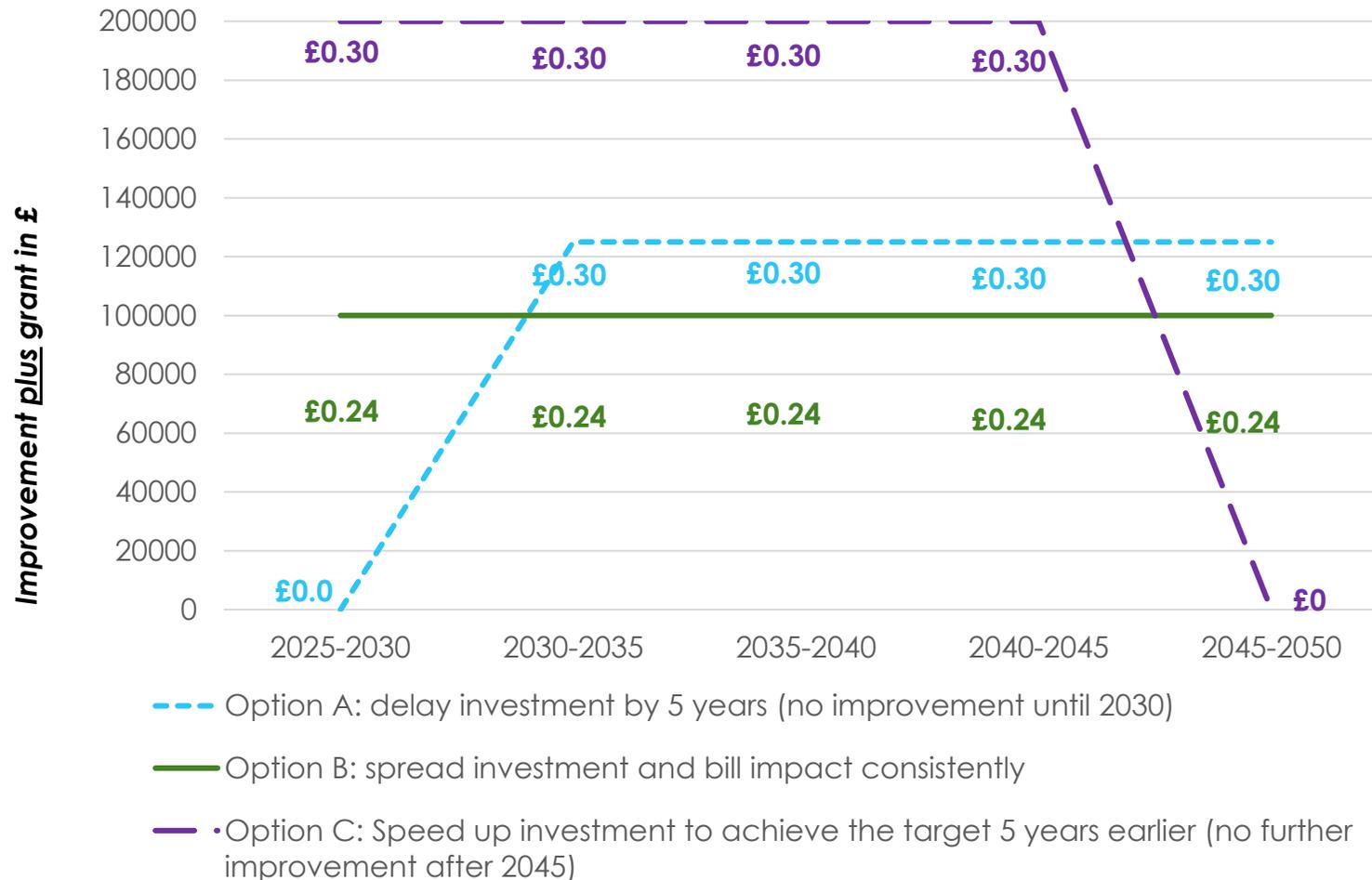
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Option C is speed up investment

Faster or slower than the proposed plan?

How each option would impact an average bill by the end of each 5-year period



Repeat flooding



£2.16 per year

By 2030

(on top of average business water bill of £1000)



- Most internal and external sewer flooding incidents are caused by sewer blockages or asset / network related issues
- 5% are caused by issues that Southern Water is addressing through the work to separate stormwater and the sewers
- But there are a number of properties (approximately 200) which suffer from repeat incidents every few years – these are across the Southern Water region, not just in the Portsmouth Water region.
- But as this only impacts a small number of properties, the cost per property is relatively high.

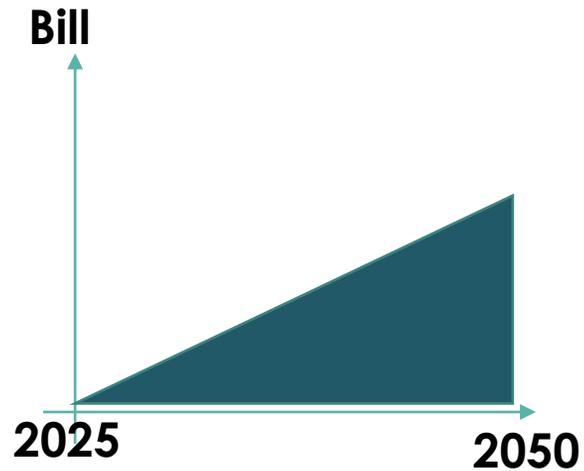
- Proceed with a small programme of investment to slowly reduce the number of properties at risk of repeat flooding.
 - Including building bespoke solutions such as upgrading of sewers, building soakaways etc.
- Address 30 properties in 2025-2030



Long term target:

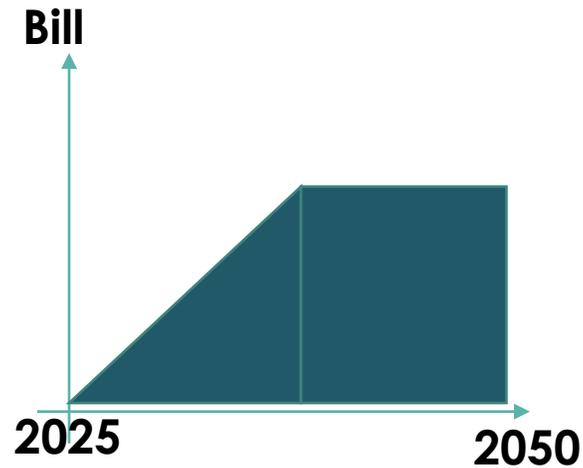
Protect homes and communities from the impact of flooding





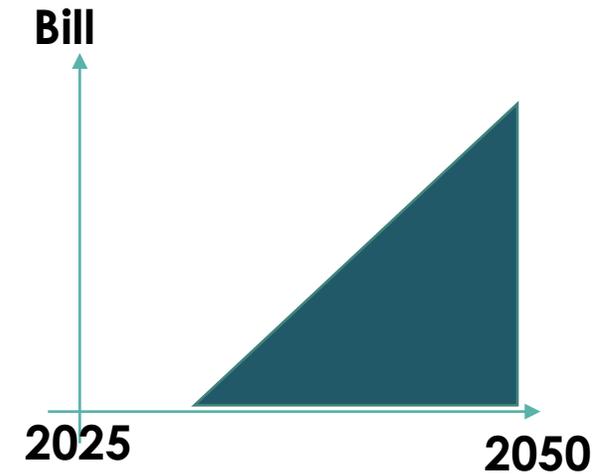
Bills rise steadily over time, and there is an even level of improvement over time

*In this scenario, **today's bill payers and future bill payers** will see a steady increase to their bills*



Bills increase in the next few years, allowing improvements to be made sooner.

*In this scenario, **today's bill payers** will see the biggest increase to bills*



No bill increase now, then the bill increases more sharply so the benefits are delivered later

*In this scenario, **future bill payers** will see the biggest increase to bills*



Sewer infiltration



£2.16 per year



- The Southern Water region is more likely to see water get into its sewer network due to high groundwater levels.
- Very wet winters mean the ground becomes saturated. The groundwater enters sewers through joints and connections (including privately owned sewers). High levels of groundwater are becoming more frequent and this is likely to get worse due to climate change.
- There are 17 locations where Southern Water has to use sewage tanker lorries and partial treatment of excess wastewater flows before returning it back into the environment in nearby rivers.
- This has a pollution impact and, although the impact is low, it can carry on for long periods over the winter months.

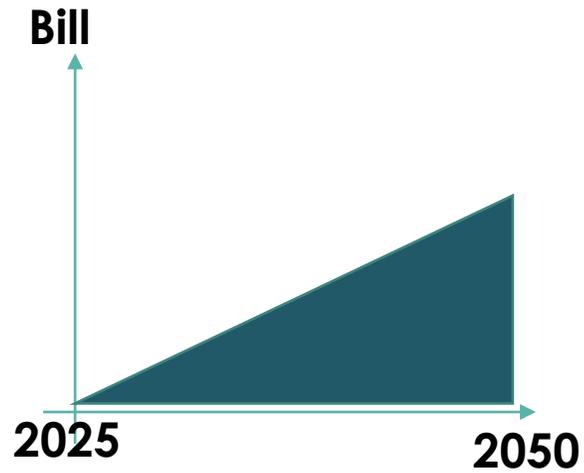
- Implement a 10-15 year investment to make the sewers more watertight, going beyond standard sewer designs.
- Address 50% of sewers in affected areas by 2030



Long term target:

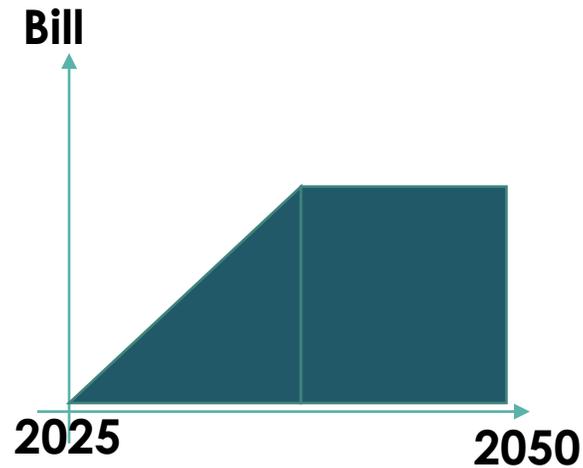
To ensure resilience from the issue of groundwater and impact on our sewers





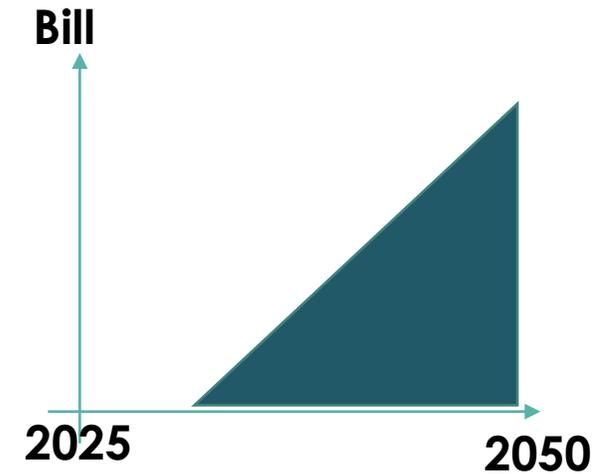
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Resilience



£9 per year

By 2030



- Southern Water's wastewater treatment processes are increasingly being impacted by more extreme weather. Therefore, it wants to invest invest to make its processes more resilient to climate change, preventing worse pollution for the future.
- Having a long coastline means some of Southern Water's pumping stations and sewers are impacted by subsidence and coastal erosion. This is made worse by more severe storms and rising sea levels.
- There is a growing risk of sudden loss of service, both water supply and / or pollution.

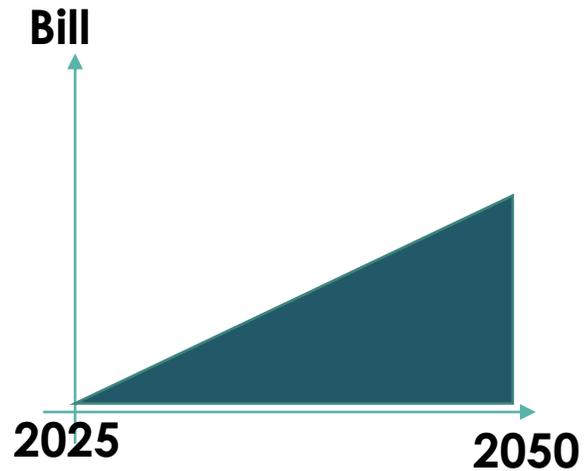
- Improve resilience of power supplies, making them less vulnerable to the storms (power overloads and cuts) and heat (tripping of power supplies in hot weather) that are more common. This includes greater back up power generators, improved ventilation, cooling fans etc.
- Partnership working with Environment Agency and Local Authorities to reduce the risks of coastal erosion and subsidence. For instance on planning, and identifying the areas that are impacted



Long term target: To protect our sites from the impacts of climate change and coastal erosion

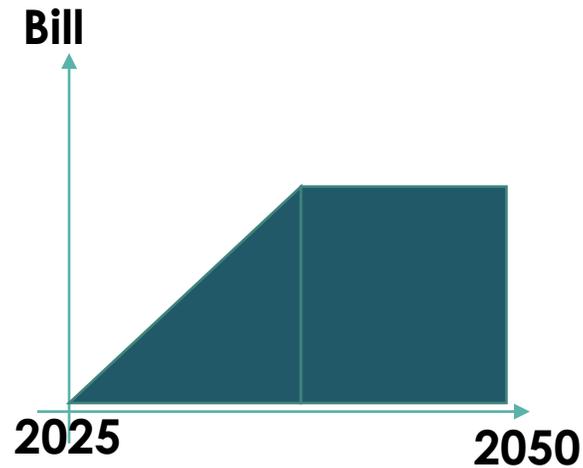


BLUE MARBLE



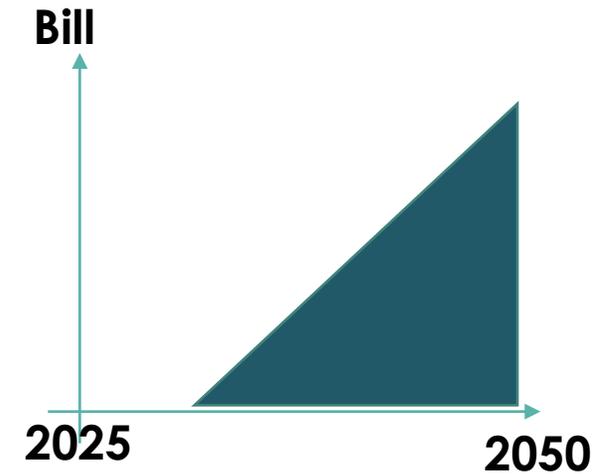
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Reducing use of storm overflows



£9 per year

By 2030

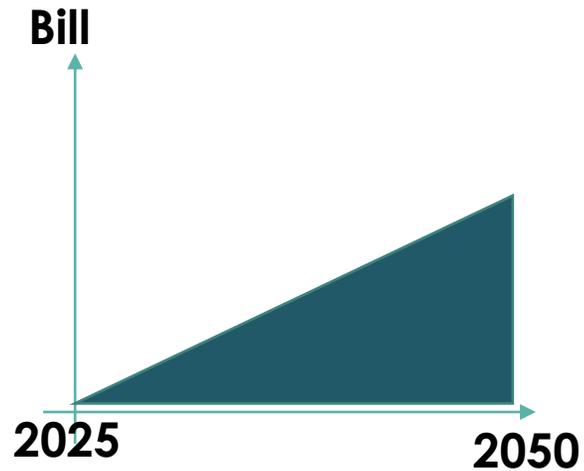


- Southern Water's 978 overflows spill on average of 18 times per year, although this ranges from zero spills to over 50 spills.
- Work to improve the network is part of a 25 year programme, with Government guidance initially focusing on:
 - Areas impacting shellfish waters (Solent and North Kent)
 - Overflows with recognised environmental impact
 - Investigations to guide future work

- By 2030 Southern Water will reduce storm overflow spills by 25%, prioritising environmentally sensitive areas like shellfish waters
- Accelerate reductions at the top 30 spilling overflows
- Focus on nature-based solutions and separating storm water out of the sewers and including the constructions of additional tank storage.
 - Nature based solutions include things like smart water butts, sustainable drainage, and soakaways. These can be installed by Southern Water and/or delivered by partnering with others (such as housing developments or businesses).

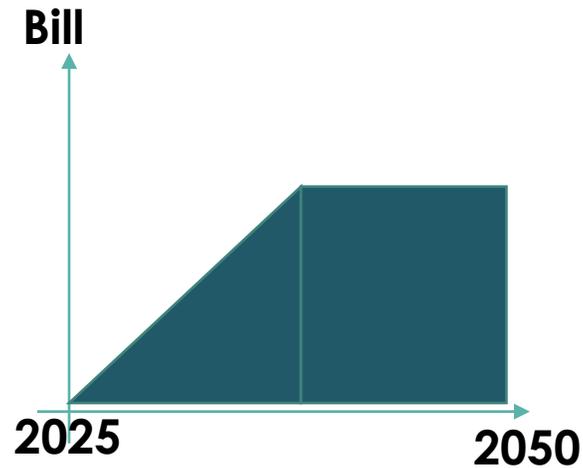


Long term target:
Reduce spills from storm overflows by 75% by 2050 and improve all bathing areas to excellent standard



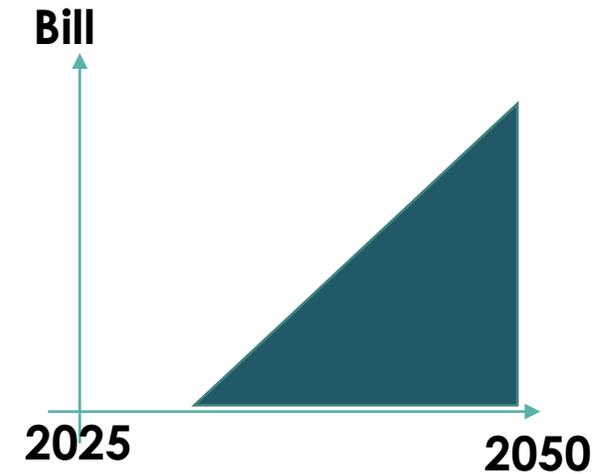
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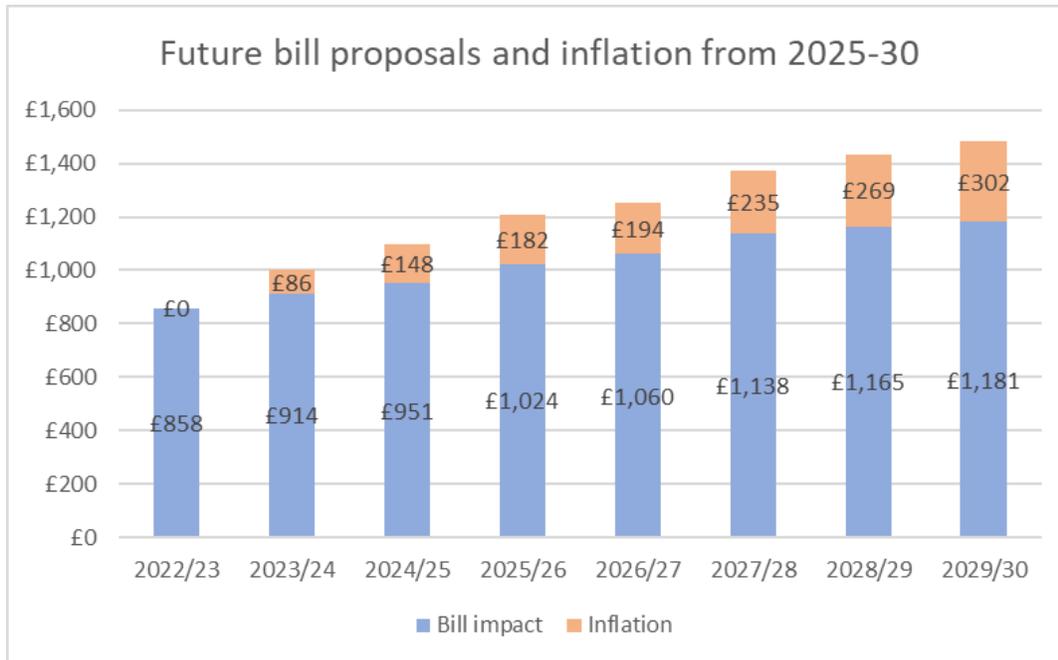
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Overall impact on your annual bills

- The average combined water and wastewater bill of £1000 for businesses **will increase** by **£384 per year by 2030** (vs 2024/25 when the plan starts).
 - £191.72 per year to meet the investment required by the regulators
 - £38.23 per year to meet the investments we propose over and above this
 - £154.15 per year of inflation



Proposed business plan

NB You will see a personalised bill prediction at the end of the session



There are four areas where Portsmouth Water could reduce the cost of the plan



'Must do' plan

This plan allows Portsmouth Water to carry out the work that they are required to do by law

Also the **least cost** plan

(on top of average business water bill of £1000)

Reduce leakage

£0

Instead of
per year

£1.65

- Reduce leakage **by 50% by 2050 instead of 2040**

Replacing lead pipes

£0

Instead of
per year

£2.73

- Replace lead pipes so all schools and vulnerable homes can access water with no exposure to lead by 2070 instead of 2060.
- This will add no extra cost to the average bill (instead of £0.91 per year for replacing all lead pipes by 2060)

Reliable water supply

£0

Instead of
per year

£2.01

- Only invest to make sure Portsmouth Water meets its legal requirements rather than exceeding them. This means services will be as reliable as the water industry average. Chance of supplies being interrupted increases from just under 1 in 100 a year to just over 5 in 100 a year.

Improving the environment

£0

Instead of
per year

£0.24

- Make sure the environment doesn't get worse at key sites without increasing the amount available every year through grants to improve the environment we rely on.
- This will add no extra cost to the average bill (instead of £0.40 per year for improving the environment at key sites)

There are four areas where Southern Water could reduce the cost of the plan



'Must do' plan

This plan allows Southern Water to carry out the work that they are required to do by law

Also the **least cost** plan

(on top of average business water bill of £1000)

<p>Storm overflows</p> <p>£90 Instead of £99 per year</p>	<ul style="list-style-type: none">Not target the 30 top spilling overflows through the use of nature based solutions and concentrate only on what is requirement by the regulatorThis will add no extra cost to the average bill (instead of £3 per year to target the 30 top spilling overflows)
<p>Repeat flooding</p> <p>£0 Instead of £2.16 per year</p>	<ul style="list-style-type: none">Not focus on the 30 to 60 homes who experience repeat flooding.This will add no extra cost to the average bill (instead of £0.72 per to focus on 30-60 homes experiencing repeat flooding).
<p>Resilience</p> <p>£0 Instead of £9 per year</p>	<ul style="list-style-type: none">Not investing to reduce the risk and impacts of coastal erosion and not focussing on improving Southern Water's sites resilience to power outages caused by increasing storms and heatwaves.This will add no extra cost to the average bill (instead of £3 for reduction of risk of coastal erosion and improving sites' resilience)
<p>Sewer infiltration</p> <p>£0 Instead of £9 per year</p>	<ul style="list-style-type: none">Not to focus on the 17 areas identified where the impact of sewer infiltration can be getting worseThis will add no extra cost to the average bill (instead of £3 per year)

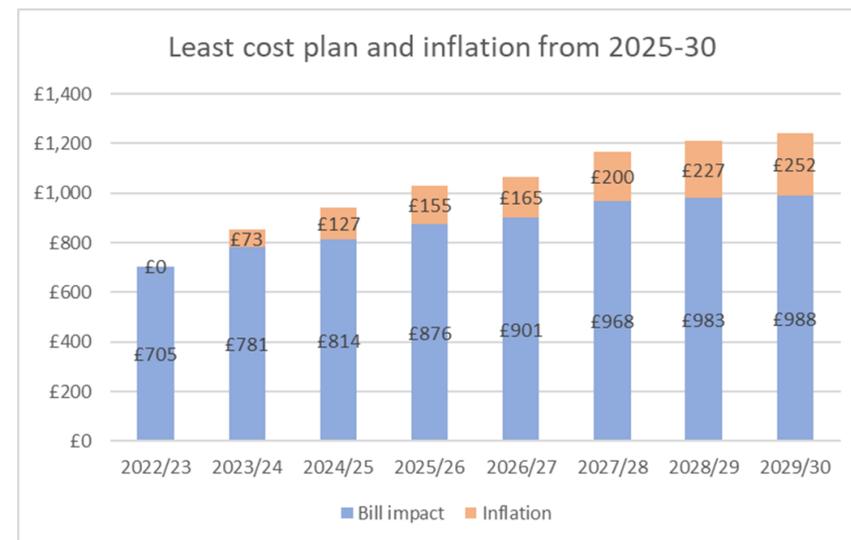
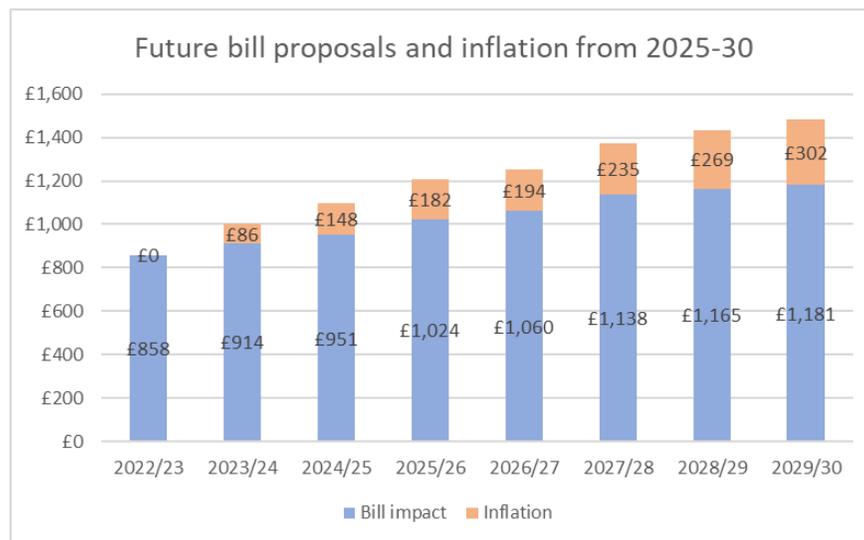


What would this must-do or least-cost plan cost?

The must-do plan, which includes only the statutory investment in each area, would cost on average £1,240 by 2029/2030, compared with the proposed plan which would cost £1,483.

The total difference in cost between the must-do plan and the proposed plan is £243 per year by 2030 and includes:

- £193 of additional investment
- £50 of additional inflation



NB You will see a personalised bill prediction at the end of the session