



**South West  
Water**

**2021**

Summary Performance Report





# Welcome to South West Water

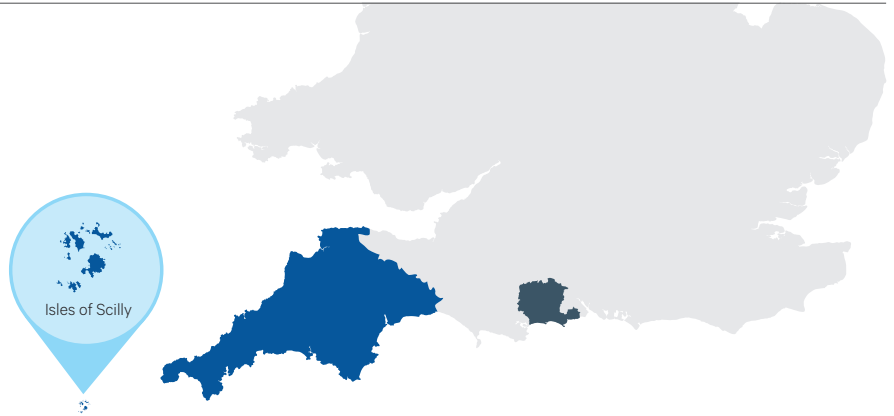
## Welcome to South West Water

We all know that water companies have a vital role today and every day, providing customers with safe and clean drinking water, and clean bathing waters, with the importance that has on health and hygiene – Bringing water to life. That's a given.

We also believe we have a unique role to play in supporting the lives of people and the places they love for generations to come. That's why we exist.

For us it is not just about what we do but how we do it – and that's why we place such importance on living our core values daily, operating in the public interest, in the regions we support.

We have set stretching performance commitments against our outcomes which are subject to significant Board, customer and other stakeholder scrutiny. Progress against these commitments has been summarised in this report and there in more extensive detail in our Annual Performance Report and Regulatory Reporting.



### About this document

In our Business Plan for 2020-2025 we set out our eight outcomes which reflect the things that matter most to our customers and the environment (developed with input from our most extensive customer engagement exercise to date).

This document sets out our performance in 2020/21 against the commitments we made to our customers in our Business Plan.

It is a summary of our Annual Performance Report which contains more details on our performance commitments and financial performance. The Annual Performance Report can be found at [www.southwestwater.co.uk/report2021](http://www.southwestwater.co.uk/report2021).

### South West Water area

We provide water and wastewater services to South West Water customers in the Cornwall, Devon and parts of Dorset and Somerset.

On 1 April 2020, our licence was extended to provide water and wastewater services on the Isles of Scilly.

### Bournemouth Water area

We provide water services to Bournemouth Water customers in parts of Dorset, Hampshire and Wiltshire.

## How we're doing

7

### Area of Excellence

Where performance has significantly exceeded our commitment and we believe the level of performance is sustainable based on measures taken and programmes underway.

12

### Outperformance

Where performance has demonstrably exceeded our commitment and we will continue to work to maintain outperformance.

15

### On track

Where performance has met or slightly exceeded our commitment (and one narrowly missed within regulatory deadband) and the Board remains confident commitments will be met in future years.

7

### Marginal underperformance

Where the Board believes the Company has plans in place to quickly bring performance back within committed levels.

3

### Area of focus

Where the Board acknowledges significant work is required to achieve committed performance levels and is implementing published Executive-led improvement plans overseen by the Board with more frequent reporting to regulators and other stakeholders.

# Summary of our performance against our 2020/21 targets

South West Water has a range of outcome targets which apply across its South West and Bournemouth areas.

These targets are based upon extensive research identifying key customer and other stakeholder priorities.

South West Water has met, exceeded or is within the regulatory deadband / tolerance for 34 of its 44 performance commitments, however there are a number of areas of focus where plans have been developed to ensure performance commitments are achieved in future years.

South West Water's Board has categorised these 34 commitments as either areas of excellence, outperformance or on track as defined on page 01.

The remaining ten commitments have been classified by the Board as either marginal underperformance or areas of focus.

The Board is targeting achieving all commitments by the end of the 2020-25 regulatory period.

Section 3 of the Annual Performance Report and Regulatory Reporting (pages 171 to 178) contains a full breakdown of current year performance, prior year performance (where applicable) as well as regulatory financial rewards and penalties which are forecast to be applied for the year.

## Clean, safe and reliable drinking water



Providing an uninterrupted supply of fresh clean water that not only meets the highest water quality standards but is also free from unwanted taste, colour or smell.

### 6 of 7

2020/21 TARGETS MET/ON TRACK

## Available and sufficient resources



Preventing restrictions on water use and managing and delivering the region's supplies as efficiently as possible.

### 1 of 3

2020/21 TARGETS MET

## Responsive to customers



Dealing with customer requests, problems and queries quickly and efficiently, and ensuring the service our customers receive represents value for money.

### 7 of 8

2020/21 TARGETS MET

## Resilience



Making sure water and wastewater services can withstand the potential impacts of extreme weather and security threats.

### 5 of 5

2020/21 TARGETS MET

## Reliable wastewater service



Ensuring our customers can rely on us to remove and dispose of wastewater safely and efficiently, and that the likelihood of sewer flooding on customers' property is minimised.

### 6 of 9

2020/21 TARGETS MET/WITHIN REGULATORY DEADBAND

## Protecting the environment



Minimising our impact on the world around us and taking steps to protect and enhance it where possible.

### 3 of 6

2020/21 TARGETS MET

## Benefitting the community



Having a positive long-term effect on people and quality of life in the region.

### 2 of 2

2020/21 TARGETS MET/ON TRACK

## Fair charging for all






Being efficient in order to keep our costs as low as possible and offering support to those who struggle to pay.





### 4 of 4

2020/21 TARGETS MET

## Our performance in 2020/21

Outcome	Performance commitment	Units	2020/21 Target	2020/21 Actual Performance	Target met	Reward/penalty £m
 <b>Clean, Safe and Reliable Drinking Water</b>	Water quality compliance (CRI)	CRI score	0.00	2.06	No	(0.022)
	Water supply interruptions	hh:mm:ss per property	6mins 30secs	5mins 38secs	Yes	0.079
	Mains repairs	nr/1,000km mains (nr)	152.3	150.4	Yes	0.011
	Unplanned outage	%	2.34	1.01	Yes	–
	Taste, smell and colour contacts	nr/1,000 pop	1.68	1.65	Yes	0.011
	Efficient delivery of the new Knapp Mill WTW	months project is delayed by	n/a	On track for future year targets	Yes	–
	Efficient delivery of the new Alderney WTW	months project is delayed by	0	0	Yes	–
 <b>Available and Sufficient Resources</b>	Water restrictions placed on customers	number	0	0	Yes	–
	Leakage	MI/d (three-year average total)	120.5	126.8	No	(3.875)
	Per capita consumption	litres/person/day (three-year average total)	144.4	144.9	No	(0.139)
 <b>Reliable Wastewater Service</b>	Internal sewer flooding incidents	nr/10,000 sewer connections/yr (nr/yr)	1.68	1.34	Yes	1.197
	External sewer flooding incidents	nr/yr	1,665	1,499	Yes	0.996
	Sewer collapses	nr/1,000km of sewer/yr (nr/yr)	17.06	9.76	Yes	0.292
	Sewer blockages	nr/yr	7,540	6,484	Yes	1.056
	Odour contacts – wastewater treatment works	nr/yr	230	219	Yes	0.055
	Descriptive compliance	% compliance	100.00	98.8	No	(0.056)
	Treatment works compliance (numeric)	% compliance	100.0	99.04	Regulatory deadband	–
	Total wastewater treatment works (WWTW) compliance	% compliance	100.0	98.9	No	–
	Compliance with sludge standard	% compliance	100.00	98.39	No	(0.124)
 <b>Resilience</b>	Risk of severe restrictions in a drought	% of population at risk	0	0	Yes	–
	Risk of sewer flooding in a storm	%	30.54	14.61	Yes	–
	Resilience in the round – wastewater	number of action plans	20	104	Yes	0.165
	Resilience in the round – water	number of properties	767	197	Yes	0.684
	Resilient water and wastewater services on the Isles of Scilly	Appointed or not appointed	Appointed	Appointed	Yes	–

## Our performance in 2020/21 continued

Outcome	Performance commitment	Units	2020/21 Target	2020/21 Actual Performance	Target met	Reward/penalty £k	
 <b>Responsiveness to Customers</b>	C-MeX – Customer measure of experience	score	Median	Below median	No	(0.534)	
	Operational contacts resolved first time – water	%	95.0	96.0	Yes	0.025	
	Operational contacts resolved first time – wastewater	%	95.0	95.1	Yes	0.001	
	D-MeX – Developer measure of experience	score	Median	Median	Yes	–	
	Customer satisfaction with value for money	%	70	70	Yes	–	
	Priority services for customers in vulnerable circumstances			3/3 subtargets:	3/3 subtargets:	Yes	–
	• PSR Reach	%	2.5	4.6			
	• Attempted contacts	%	45.0	51.2			
	• Actual contacts	%	17.5	39.1			
British Standard for inclusive service provision	Achieved or not achieved	Achieved	Achieved	Yes	–		
Overall satisfaction of services received on the PSR	%	73	89	Yes	–		
 <b>Protecting the environment</b>	Pollution incidents (wastewater)	nr/10,000km sewer length/yr (nr/yr)	24.51	130.87 (see APR for alternate methodology)	No	(12.231)	
	Number of pollution incidents cat 1-3 (water only)	nr/yr	0	10	No	–	
	Biodiversity – enhancement	hectares	73,209	85,100	Yes	4.023	
	Biodiversity – compliance	number	0	0	Yes	–	
	Biodiversity – prevent deterioration	number	21	46	Yes	–	
	EPA	rating	3	2	No	(1.000)	
 <b>Benefiting the community</b>	Bathing water quality	number	-8*	-4*	Yes	1.104	
	Abstraction incentive mechanism	MI	n/a**	On track**	Yes	–	
 <b>Fair charging for all</b>	Installation of AMR meters	nr/yr	161,332	165,685	Yes	–	
	Number of customers on one of our support tariffs	number	27,000	30,565	Yes	–	
	Voids for residential retail	% of households	0.91	0.84	Yes	–	
	Percentage of customers who find their water bill affordable	%	89.0	89.4	Yes	–	
<b>Total</b>						<b>(8.903)</b>	

\* -8 is the baseline position and our position of -4 for 2020/21 represents an improvement at four sites on a net basis (in line with the definition of this commitment). See the Annual Performance Report and Regulatory Reporting for further information.

\*\* While we are on track with this performance commitment, in 2020/21 the scheme was not triggered (as there was no need in line with the position of our water resources at that point in time).

## Our performance in 2020/21 continued

### Where we have performed well

We have a range of performance commitments across our operational area, the majority of which have annual targets and all having five-year 2025 targets. In some cases, where we have exceeded these targets, we have earned a reward as shown on pages 03 and 04.

#### Internal sewer flooding

During 2020/21 the number of internal sewer floodings decreased from the previous year, resulting in 105 internal sewer flooding incidents (or 1.34 per 10,000 sewer connections).

This follows ongoing activities to mitigate the risk in this area, such as sewer cleansing and targeted investment to address defects. This has been achieved despite an unusually wet August in 2020 which resulted in above average incidence of floodings in that month (with some storms which were classified as one in a thousand year events).

#### Sewer blockages and sewer collapses

Sewer blockages have decreased by 3% and collapses per 1,000km of sewer have decreased by 24%. In both cases this is better than our performance commitment.

Sewer blockages are a lead indicator for flooding and pollution from our network.

This historically low performance demonstrates the continued effectiveness of our programmes of work on the network through investigating, cleaning and repairing sewers.

### VOIDS FOR RESIDENTIAL RETAIL

Investigating and reducing the number of household properties that do not pay for the services they receive (void properties) helps us reduce the bills that all customers pay.

South West Water contacts customers who may be in occupancy to encourage them to get in touch, uses commercially available data and makes visits to properties to ensure charges are applied where services are used.

This has meant we have been able to keep the percentage of households which are correctly noted as vacant with no charges levied under the 0.91% performance commitment level at 0.84%.

#### Biodiversity - enhancement

This commitment concerns the increase in the area of land under active improved catchment management as part of our 'Upstream Thinking' project interventions.

In 2020/21 we achieved a cumulative total of 85,100 hectares, which is above our target and has been met through a combination of early delivery in 2019/20 following our fast track business plan status as well as further new catchment management in 2020/21.

South West Water has also met its two further commitments in the area of biodiversity (prevent deterioration and compliance). These commitments involve implementing measures to prevent invasive non-native species as well as ensuring no pollution events in special wildlife conservation areas.

### Resilience in the round - wastewater

This measure relates to the ability to protect and quickly recover treatment processes at wastewater treatment works in the case of extreme weather events. It is measured as the number of resilience action plans put in place for the wastewater treatment works.

South West Water has developed plans for 104 treatment works during the year, significantly in excess of the target of 20.

The plans have been produced to improve the response and recovery of each wastewater site following any flooding incident in line with our business plan. They will be reviewed and updated following flood events or when new information becomes available.

#### Resilience in the round - water

This measure reports the number of properties affected by unplanned interruptions to supply of greater than twelve hours duration.

In 2020/21, 197 properties were affected by an unplanned supply interruption of greater than twelve hours. This is significantly lower than our performance target for the year of 767 properties.

This performance reflects an overall reduction in supply interruptions duration, including in shorter duration interruptions.

The measure has been particularly outperformed with South West Water's proactive response when we become aware that supplies may be interrupted, including mobilising alternative temporary supply measures quickly when they may potentially be needed.



## Our performance in 2020/21 continued



### Areas where we need to improve

Where we have not met the targets for some of our measures, we have incurred a penalty for not achieving the service levels we promised our customers. The Board has identified three areas of focus, which are key areas of focus for our customers and suppliers where more significant work is required and is underway to achieve future performance commitment targets.

#### Pollution incidents

Our performance in respect of wastewater pollution incidents did not achieve the improvements we had targeted. We have intervened and restructured our operations, established a new wastewater leadership team and aligned our business to improve our environmental performance. Alongside the health and wellbeing of our people, this is our number one priority.

As a result of performance, we launched our Pollution Incident Reduction Plan in September 2020, which has delivered immediate and sustained improvements in our performance with the average number of monthly pollutions now less than half of that seen before the implementation of the plan.

We are committed to delivering a step change in our performance in order to achieve the challenging targets set. Our plan centres around the following key initiatives:

- Root cause analysis
- Control systems and early warning
- Aspect-specific plans
- Influencing customer behaviour
- Improving our environmental culture

An update to our plan is published and available to view at [southwestwater.co.uk/siteassets/document-repository/business-plan-2020-2025/pirp-update.pdf](https://southwestwater.co.uk/siteassets/document-repository/business-plan-2020-2025/pirp-update.pdf).

#### Environmental Performance Assessment (EPA)

The Environment Agency published its EPA report for the calendar year 2020, in July 2021, classifying South West Water as a 2-star company. Our target had been to be a 3-star Company and achieve the maximum 4-star rating in 2023.

The assessment is based on a basket of measures, which are rated on a red, amber and green basis and our underperformance is driven by our performance in respect of pollution incidents which has been rated as red.

This is now improving in line with our Pollution Incident Reduction Plan and alongside ongoing focus in sludge compliance (which is rated amber), these improvements, if sustained, will lead to improvements in our assessment.

The other three measures were assessed as green by the Environment Agency.

#### Leakage

The prevention of water being lost due to damaged mains is a key customer priority and we continue to invest significantly to prevent and manage leaks on our network. The network was challenged throughout the year with increased demand due to changes in customer behaviour during the multiple lockdown periods and a higher than normal regional population given the significant proportion of second home ownership in our region.

As a result, increased pumping has been required to more rural areas. There was a record number of bursts in early 2021 and our teams responded well to this increase, however as a consequence of these factors, leakage rose resulting in our three year average leakage target not being met.

We increased our expenditure on investments in leakage reduction by 30% from the prior year to £22.2m. We invested in mains repairs, replacement and active leakage control as well as additional data loggers and our new cutting-edge leakage management visualisation tool, 'Leaksure'.

A targeted action plan to continue to recover performance is now in place focusing on:

- Detection and repair
- Customer leakage
- Data and control systems
- Reducing our own water use
- Reducing customer water use

# How does our performance compare to other water companies

Out of our 44 performance commitments, 15 are 'common' performance commitments. This means that all water and sewerage companies will report on these measures, enabling comparison of companies' performance.

Each year in July, all water companies publish their Annual Performance Report which provides a summary of their performance against regulatory outcomes and performance commitments. This year companies were reporting against the first year of the 2020-25 regulatory period.

We always want to ensure that we are reporting our performance accurately and transparently with our customers therefore we also undertake analysis ourselves to show how we are performing compared to other water companies.

## Water measures Better than average

- Customer water consumption (PCC)
- Supply interruptions
- Water quality compliance
- Unplanned outage

### Below average

- Leakage
- Mains repairs

We are pleased that our improving performance has meant that we are better than average in important areas such as customer water consumption, water quality and supply interruptions, as we know that these areas are important to our customers.

Unfortunately, we are below the industry average for our leakage performance this year. A targeted action plan to continue to recover performance is now in place, as discussed on page 06. Prevention of mains failures is also integral to the continued reduction in the number and impact of our supply interruption events. Although we have been able to outperform our target for this year, we are below average compared to others in the industry. We will continue to invest

in the replacement of those water mains at greatest risk of failure, extending the coverage of our pressure management capability and increasing preventative maintenance of air valves across our network.

For more information on how our performance compares to other companies see the 2020 Drinking Water Inspectorate's annual report 'Drinking Water 2020' ([www.dwi.gov.uk/about/annual-report/2020/index.html](http://www.dwi.gov.uk/about/annual-report/2020/index.html))

## Wastewater measures Better than average

- Internal sewer flooding

### Below average

- Pollution incidents
- Sewer collapses
- Treatment work compliance

We are currently below the industry average for pollutions, sewer collapses and treatment works compliance.

We outperformed our target for sewer collapses for this year but know there is more work to do to compare more favourably with the rest of the industry.

There are also plans in place to address our pollutions performance going forwards (please see page 06 for further details).

Treatment works compliance improved year on year and is within the regulatory tolerance/deadband and we continue to work towards the stretching target of 100% compliance.

For more details on how our performance compares to other companies please see the Environment Agency's 2020 Environmental Performance Assessment ([www.gov.uk/government/publications/water-and-sewerage-companies-in-england-environmental-performance-report-2020](http://www.gov.uk/government/publications/water-and-sewerage-companies-in-england-environmental-performance-report-2020)).

## Resilience Better than average

- Risk of severe restrictions in a drought

### Below average

- Risk of sewer flooding in a storm

Our performance in respect of risk of severe restrictions in a drought reflects and builds on our history of no restrictions placed upon customers for 24 years in the South West Water areas, and none having been placed upon customers in the Bournemouth Water area, since Bournemouth Water was established.

Our performance in respect of risk of sewer flooding in a storm has improved, however remains below average, although we have demonstrated through significant reductions in internal sewer flooding and external sewer flooding incidents that we are making significant progress.

## Customer service Better than average

- Priority services register

### Average

- Developer services measure of experience (D-MeX)

### Below average

- Customer measure of experience (C-MeX)

As a provider of an essential service we understand how important it is that customers in vulnerable circumstances are not limited in the way they access or receive our services as a result of their vulnerability. We have always strived to understand the needs of our customers in vulnerable circumstances to ensure that our services are inclusive and that we provide additional support as needed, both during the normal course of business and during events or emergencies. We have met all of our targets in relation to customers on the priority services register.

Although our annual C-MeX score has improved year on year to reach 80.96, it is marginally below the industry average, marked 12<sup>th</sup> overall. Improvements already put in place during 2021/22 or planned during the remainder of the year include: improvements to modernise the navigational experience and appearance of the Company's 'MyAccount' platform, including simplifying billing information, as well as improved analysis of contacts to allow us to identify more easily what is driving customer feedback.



## Technical auditor's memo

### Jacobs

Alongside the assurance work for South West Water's 2020/21 Annual Performance Report (APR) we have reviewed South West Water's (SWW) Summary Performance Report. This document is part of a set of documents relating to SWW's performance in 2020/21. Jacobs has independently assured SWW's reported performance against all of its Performance Commitments. In addition, we have assured the technical aspects that feed into the Performance Commitments.

We confirm that the performance set out in the Summary Assurance Report aligns to that reported in SWW's Annual Performance Report and the reported metrics are as assured by Jacobs in accordance with our Technical Auditor's report on page 143 of SWW's report "Annual Performance and Regulatory Reporting 2021".

We note in the Summary Performance Report that SWW has made a comparison of its own performance (against the common performance commitments) with that of other water companies. We have not assured this assessment and the opinions expressed are those of SWW. We consider the Summary Assurance Report provides a balanced assessment of annual performance reporting and fairly supports the overall performance reported in SWW's report "Annual Performance and Regulatory Reporting 2021".

Through our audit work, we are satisfied to the extent that our audit to the preceding level of audited documentation and/or other data sources allows, and the data risks assessed by SWW, that:

- There are no additional key findings to report in respect of data contained within the Summary Performance Report beyond those already noted in South West Water's Annual Performance and Regulatory Reporting 2021;
- South West Water's Annual Reporting procedures and governance have been used to compile the Summary Performance Report submission; and
- We have confirmed the input data presented in the Summary Performance Report is the data we assured through the APR 2021 audit process.



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