



WaterFuture



# WATER & WASTEWATER SERVICES TO 2025



South West  
Water



Bournemouth  
Water

#getintowater

# WELCOME TO YOUR NEW DEAL

We are pleased to share a summary of our business plan for 2020-25 with you; after all it's your views and your priorities that have informed this plan.

Through focus groups and workshops, online, telephone and face to face surveys, digital channels and interactive videos, through engaging with you in everyday activities, whether it's paying your bill or ringing to tell us there is a problem with your supply, we have been listening...

You have told us that your top ten priorities are:

- 1 Clean safe water supply**
- 2 Bathing waters**
- 3 Prevent pollution**
- 4 Sewer resilience in extreme conditions**
- 5 Reduce sewer flooding**
- 6 Water supply resilience in extreme conditions**
- 7 Leakage control**
- 8 Avoid supply interruptions**
- 9 Responsiveness to service problems**
- 10 Avoid water resource restrictions**



In the next few pages we will summarise the investments we will be making to improve your services today and ensuring they will be there in the future. We will also tell you what this means for your bill.





# WHAT'S IT ALL ABOUT?

**Here's the dry stuff! Every five years we submit our business plan to Ofwat, the water industry regulator, and in 2019 it will determine prices for the period 2020-25.**

The process of looking forward and understanding customer priorities for us at South West Water is called 'WaterFuture'. The development of the plan is overseen and challenged by an independent WaterFuture Customer Panel.

We've listened, consulted and challenged ourselves to deliver even more of what matters to you. We believe this plan represents an exciting new chapter for water and wastewater services in our region.

**Let's start with our Board pledges to 2025. These are our high level commitments to you.**

**WE WILL DELIVER EFFICIENCY, KEEPING BILLS AS LOW AS POSSIBLE, ADDRESSING WATER POVERTY**

**WE WILL DELIVER ENVIRONMENTAL LEADERSHIP**

**WE WILL PROVIDE OUTSTANDING CUSTOMER SERVICE**

**WE WILL DELIVER OUR PROMISES, SUPPORTING THE REGIONAL ECONOMY AND OUR COMMUNITIES**

**WE WILL EMPOWER OUR CUSTOMERS BY GIVING THEM A STAKE AND MORE SAY IN OUR BUSINESS**

# SO WHAT'S THE 'NEW DEAL'?

## It's a stake and a say in our business.

All South West Water customers will be offered a financial stake in our business in 2020 and during 2024-25 this will be extended to our Bournemouth Water customers as well, so that all our customers share in the success of the company.

## WHAT IT REALLY MEANS IS...

If you are a **South West Water customer** you will:

- Be offered a 'WaterShare' share in 2020
- Receive a share of company profits just as shareholders do
- Be invited to attend a customer Annual General Meeting (AGM)
- Be able to vote and have your say
- Receive annual reports and financial statements.

If you are a **Bournemouth Water customer** you will:

- Share in any additional successes post 2020+

You will be able to sell your shares immediately or keep them and see the value of that share in our business rise and fall depending on our performance and market conditions.

### We have done this because you told us:

- you want more of a say in the business
- that investors shouldn't be the only ones who benefit when the business performs well.

### What's more, as part of the New Deal we are proposing to:

- ensure the average bill by 2024-25 is the same or lower than they are now
- invest over £1bn regionally to enhance the communities and environment we serve
- deliver our largest environmental improvement plan for 15 years delivering region wide benefits
- address water poverty by 2025.

**You have challenged us to invest and improve in the areas which matter most to you**



Good idea overall.  
Will make people  
feel they are part  
of the company.



Check out where and what we will be investing in  
to improve and maintain your services





**South West  
Water**

# WHAT WE WILL BE INVESTING IN..

Reducing pollutions is an area of focus for us. By 2025 we'll ensure there are zero harmful pollutions

Reduce the risk of flooding at our own sites so that we can keep you in supply even in extreme conditions

We'll expand our 'Downstream Thinking' work which uses sustainable solutions like landscaping to improve drainage and reduce flooding in towns and cities

We also intend to do more work on the region's moors and uplands to protect water quality in the landscape. It's called 'Upstream Thinking'

Our work in catchments will help improve biodiversity and reduce carbon.

We'll also boost bathing beaches and shellfisheries, helping tourism by upgrading wastewater works (on the Fal, Exe, Teign, Avon and Dart estuaries).

We'll reduce the amount of water lost through leaks and bursts by 15%

Reduce the number of discolouration, taste and smell complaints

Extending our services to the Isles of Scilly

Reduce the time water supplies are interrupted to your homes

Extension of our affordability measures to address water poverty for all

Additional help for customers who may need more support when supplies are interrupted, delivered in partnership with trusted organisations



Open up more channels of communication – social media, chat bots



We'll continue to invest in bathing water quality improvements

Provide jobs and career development opportunities in a safe, high quality workplace

Dual billing for all our unmeasured properties – giving customers the choice to switch knowing they will be saving money

Work with you to reduce water consumption - saving money in the short term and helping secure water supplies in the future

Expand our award winning apprenticeship programme

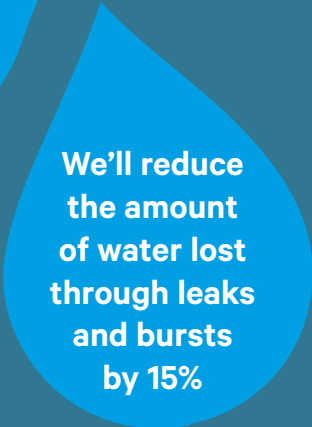
# WHAT WE WILL BE INVESTING IN..

**Additional help for customers who may need more support when supplies are interrupted, delivered in partnership with trusted organisations**

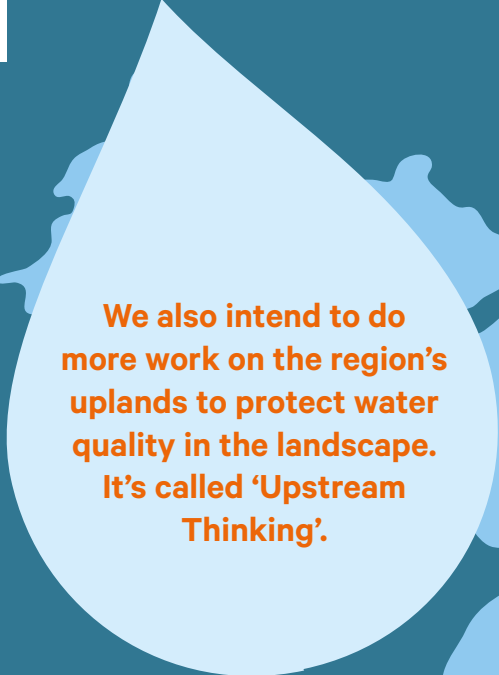
**Extension of our affordability measures to address water poverty for all**

**Work with you to reduce water consumption - saving money in the short term and helping secure water supplies in the future**

**Dual billing for all our unmeasured properties – giving customers the choice to switch knowing they will be saving money**



**We'll reduce the amount of water lost through leaks and bursts by 15%**



**We also intend to do more work on the region's uplands to protect water quality in the landscape. It's called 'Upstream Thinking'.**



**HQ George Jessel H  
+ Alderney Water Treatment W**





Region wide  
water saving  
incentive  
schemes

Reduce the  
time water  
supplies are  
interrupted to  
your homes

New water  
treatment works  
replacing Knapp  
Mill and Alderney

Blashford Lakes  
Nature Reserve

New Forest  
National Park

Knapp Mill  
Water Treatment Works

Bournemouth

Open up more  
channels of  
communication  
– social media,  
chat bots

Reduce the  
number of  
discolouration,  
taste and smell  
complaints

Expand our  
award winning  
apprenticeship  
programme

# WHAT THE PLAN WILL COST - HOUSEHOLDS

## South West Water

At £489 the average 2024/25 household bill represents a 11% drop in real terms from 2019/20. Our research shows that this price is both affordable and acceptable to the vast majority of customers and it allows us to make the investment necessary to fulfil our legislative obligations, ensure your priorities are delivered and our environmental responsibilities.

**2024/25 average household bill**  
(South West Water - after £50 government contribution)



<b>2009/10</b>	
Average household bill	£493
<b>2018/19</b>	
Average household bill	£491
Inflation	+ £71
Legislative obligations	+ £12
Isles of Scilly	+ £4
Efficiencies	-£89
	=
<b>2024/25</b>	
Average household bill	£489
Prices include water and wastewater services.	

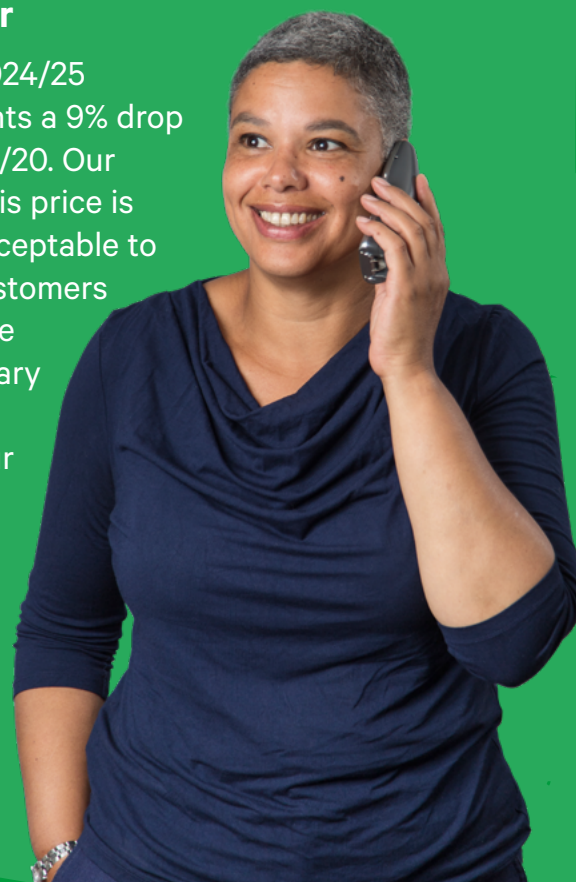
<b>2019/20</b>	
Average household bill	£145
Inflation	+ £15
Legislative obligations	+ £2
Efficiencies	-£17
	=
<b>2024/25</b>	
Average household bill	£145
Prices includes water services only.	



## Bournemouth Water

At £145 the average 2024/25 household bill represents a 9% drop in real terms from 2019/20. Our research shows that this price is both affordable and acceptable to the vast majority of customers and it allows us to make the investment necessary to fulfil our legislative obligations, ensure your priorities are delivered and our environmental responsibilities.

**2024/25 average household bill**  
(Bournemouth Water)



# HOW WE WILL DO IT

It's not about what we're doing, but how we're doing it.

- We will operate in your best interests;
- We will ensure strong financial control, sound administration, good governance and take a responsible approach to corporation tax.
- We will maintain transparent and clear policies for dividends and executive pay which are grounded in the delivery of our commitments to you
- We will offer you a share in our success

This is the new deal.



To find out more visit  
[www.southwestwater.co.uk/waterfuture](http://www.southwestwater.co.uk/waterfuture)

## WHAT HAPPENS NEXT?

The timetable for the 2019 Price Review is illustrated below:



**3 Sept 2018**

WaterFuture Customer Panel report submitted

South West Water business plan submitted

Ofwat initial assessment of plan

**1st March - 31st July 2019**

Draft decision of plan published

**31st Jan 2019**

Ofwat publish assessment of business plans

**1st Sept - 31st Dec 2019**  
Final decision of plan published

**Thank you for your  
feedback and helping  
us develop a plan to  
meet your needs.  
We promise we will  
continue to listen just  
as you have told us.**



**South West  
Water**



**Bournemouth  
Water**

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