

**WaterShare+**

Group Panel

# Annual Report 2024



## About this report

This WaterShare+ Group Panel Annual Report 2024 covers the period from 1 April 2023 to 31 March 2024. The aim of this report is to demonstrate the work of the Panel during 2023/24 and to set out what the Panel aims to achieve in 2024/25. Unless otherwise stated, the data included in this report is for 2023/24.

The WaterShare+ Group Panel is an Independent Challenge Group (ICG) that holds South West Water to account on behalf of customers. The Panel was set up in 2015 and encompasses South West Water, Bournemouth Water, Bristol Water and Isles of Scilly Water. Sutton & East Surrey Water (SES), which was acquired by the parent company, Pennon Group, will also be included in WaterShare+. The Panel oversees the operation of the company's WaterShare+ Customer Share Scheme, which started in 2020. In this report, 'the company' refers to South West Water.

The performance data in this report relates to South West Water, including Bournemouth Water and Isles of Scilly Water. The Bristol Water Challenge Panel (BWCP) produces its own [Annual Report](#), which focuses on Bristol Water's performance.

Water companies submit business plans to Ofwat (the Water Services Regulation Authority, which is the economic regulator of the water and sewerage industry in England and Wales), setting out the investment plans and service improvements they intend to deliver over the following five years. These five-year periods are known as Price Reviews (PR) and Asset Management Periods (AMPs).

PR19 covers the AMP7 period from 1 April 2020 to 31 March 2025 and South West Water refers to this period as the 'New Deal'. Companies submitted PR24 plans to Ofwat in October 2023 before approval ahead of the AMP8 period from 1 April 2025 to 31 March 2030. The WaterShare+ Panel scrutinises the company's performance against the current business plan and ensures that future business plans reflect customer needs and priorities. The Panel's [Annual Report 2023](#) covered an extended period from April 2022 to October 2023 to provide details of the Panel's scrutiny of the company's proposed PR24 business plan.

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# WaterShare+ Chair's Introduction

## I am pleased to introduce this WaterShare+ Group Panel Annual Report 2024, which covers the work of the Panel during 2023/24

Lord Matthew Taylor  
— Chair of the WaterShare+ Group Panel

### **As an independent Panel, we champion the interest and needs of customers.**

Scrutinising and challenging the business planning process has been a key focus of the Panel over the last year, and we have played a significant role in ensuring that customer and stakeholder voices were heard during this process and influenced the PR24 business plan proposals. This was reflected in the initial response from Ofwat, with this being one of only two highly rated business plans nationally. During the consultation period ahead of Ofwat's Final Determination\* on PR24 later this year, we will continue to issue challenges to the company and emphasise to Ofwat that the plan must put customer priorities first.

Throughout the year, the company has worked well with us, in providing information and access we have requested, and senior executives consistently attending meetings with us to answer challenges. Notably, the Consumer Council for Water (CCW) has singled out the company as one of four that has worked well with its Independent Challenge Group during the development of the company's PR24 business plan proposals for 2025-30. We welcome the involvement of our independent advisers from the Consumer Council for Water, Environment Agency and Natural England for assisting us in being effective.

*\*This is the conclusion of discussions on the scale and content of the Asset Management Plan for the forthcoming five-year period. It is accompanied by a determination of the framework allowable charges for the forthcoming five-year period.*

Since the end of the financial year in March 2024, there has been a significant cryptosporidium incident in Brixham as well as media, political and customer outrage over storm overflows and pollutions. These are all issues that we are addressing during 2024/25.

We look forward to continuing to challenge the company over the next year, and to expanding WaterShare+ to the company's new customers, at Sutton and East Surrey Water (SES) which was acquired by the company in January 2024.



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# Chief Executive's Reflections

## Providing water and wastewater services to communities in the UK is both a privilege and a responsibility

Susan Davy — Chief Executive Officer

**The WaterShare+ Group Panel ensures that the views of customers are always represented in the company's current and future priorities and business plans.**

**I am also delighted that over 90,000 customers are also shareholders of our company through our unique WaterShare+ Share Scheme, which is overseen by the WaterShare+ Group Panel. Given that customers cannot choose their water provider, I believe it is important that they have a say in how our company operates.**

Water companies are firmly in the spotlight, with media, public and regulatory scrutiny at an all-time high. It is important that we listen and do what is right for all. I am indebted to the WaterShare+ Group Panel for their continued hard work and leadership in challenging and holding the company to account.

The past year has been challenging for water companies, especially with the tumultuous weather of 2023, which was the fifth wettest year on record. Whilst good for water resources, this has triggered more use of storm overflows and more pollution incidents than any of us agree is right. As one of the first water companies to achieve 100% monitoring of storm overflows, we will use the resulting data and information to target our efforts to fix this.

We remain resolutely focused on our four customer priorities of protecting water quality and enhancing resilience; tackling storm overflows at our beaches and eradicating pollutions across Devon and Cornwall and driving environmental gains, wherever we serve. At the same time, we have successfully managed to keep customer bills lower than they were 10 years ago and we have pledged to eradicate water poverty. In all the areas we serve, average bill increases were below the rate of inflation. Over 132,000 unique customers were benefiting from one of our affordability incentives. We have unlocked £100million of financial support for customers as well as sharing £38 million through the WaterShare incentive.

We are grateful to the Panel for constantly focusing our attention on delivering for customers, communities and the environment.



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# Executive Summary

The WaterShare+ Group Panel is an independent group of eight members, who act as advocates for local customers and wider stakeholders

**We are recognised by Ofwat as the Independent Challenge Group for South West Water. A key part of our role is to hold in-depth sessions with the company executives and the company’s independent technical auditor, Jacobs, to review the company’s data, information and assurance regime.**

At these meetings, the Panel has been able to drill into the operational issues that a water utility company faces, advised by experts from industry regulators, namely the Environment Agency, Consumer Council for Water and Natural England. We are pleased to report that it has received independent assurance from the professional assurer Jacobs, that the company’s performance information is reliable and accurate.

One of the company’s greatest innovative initiatives that we have scrutinised is the introduction of progressive charging trials in selected areas across the South West. Through these trials, the company is exploring new charging structures, such as charging more during peak times or for higher usage, and the corresponding lower charges off peak for other customers. We welcome these trials, as they show real promise in demonstrating to the water sector how customer bills can be made fairer and more affordable.



These trials are also important to reduce water usage and improve the resilience of water resources in the South West, which we know that customers want to see improved.

The upcoming year will be challenging for water utility companies with the end of the PR19 business plan and the start of the 2025-30 PR24 business plan. We recognise how much of an issue there is with customer and stakeholder confidence and trust in water companies. It is vital that companies respond to this by being transparent, building trust and improving performance. We will continue to evolve the role of the Panel in challenging and holding the company to account on behalf of customers. For this reason, we have reviewed our style of working. We will increase the work of the Panel to involve more customers, more regularly.

We will continue to hold online meetings with customers to enable them to challenge the executives of the company direct with us.

We will introduce regular customer challenge events in each operating area (Cornwall, Devon, Bristol, Bournemouth and Sutton and East Surrey Water, as it joins the group). All customers are welcome to join the Panel for these meetings, questioning the company executives and raising their concerns.

### Highlights of 2023/24

During the past year, we have continued to scrutinise and challenge the company on its current performance and operations. We have also worked with the company on the development of its PR24 business plan proposals for 2025-30, ensuring that the plan represents best value for customers and the environment.

The Panel maintains an Action and Challenge Log to keep a record of all questions, comments, information requests and issues raised during scrutiny of the company's operations and performance. We recorded 267 actions and 126 challenges during 2023/24. Panel discussions cover all aspects of company operations that affect customers. These range from water quality and pollutions to executive bonuses and shareholder dividends. We also address customer-specific issues and significant incidents or developments affecting the company or the water industry.

The company's regulator, Ofwat, has set each water company a series of service targets – known as performance commitments (PCs) – for the five-year period from 2020-25 (PR19).

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## **South West Water met or exceeded its targets on 30 of the 44 outcome delivery incentives for PR19 in 2023/24**

These performance commitments have rewards and penalties associated with them, which are known as outcome delivery incentives (ODIs).

South West Water met or exceeded its targets on 30 of its 44 outcome delivery incentives for PR19 in 2023/24, which equates to around 70%. However, overall performance has deteriorated from 31 targets met or exceeded in 2022/23.

The Panel welcomes the company's performance in areas where it is on track or outperforming, but our focus is primarily on areas of weakness. This report sets out the Panel's perspective on the 11 areas of underperformance and especially, three areas of significant underperformance against outcome delivery incentives, which were treatment works compliance, wastewater pollution incidents and the company's two-star Environmental Performance Assessment (EPA), all of which require significant improvement. We will continue to track and challenge the company to deliver on these critical areas and storm overflows.

During the year, the Panel engaged extensively with the public and company executives. In total, 6 public meetings were held by the WaterShare+ Group Panel and South West Water Panel, in addition to 19 private meetings held by Panels and sub groups with the company executive.



### Future Priorities

During 2024/25, priorities for the WaterShare+ Group Panel will include working with the company to finalise its PR24 business plan, ensuring that any changes made ahead of Ofwat’s Final Determination respond to the priorities of customers and the environment.

Having worked closely with the company on the business plan proposals on behalf of customers, the Panel joins the company in welcoming Ofwat’s recognition of the company’s ‘outstanding’ business plan, which is underpinned by significant customer and stakeholder support. We commend the company on its high quality, representative, robust and appropriate engagement with customers and other groups during the process.

During 2024/25, the Panel will introduce our new structure and approach to meetings following the Customer AGM in September 2024. This is to ensure that the Panel continues to meet the needs of customers, is run efficiently and can meet the future expectations of customers and Ofwat, as well as accommodating the growth of Pennon Group Plc. The new approach will include enhanced engagement with customers, particularly on local issues. Panel members will now include a Chair and Deputy Chair for each region – Devon, Cornwall, Bournemouth, Bristol and the SES Water region. Senior company executives including CEO Susan Davy, will continue to attend our public and private meetings.

The Panel’s Terms of Reference will also be updated to reflect our enhanced activity. The company is committed to continuing to work closely with the Panel, welcoming challenge and adequately resourcing our new and enhanced ways of working.

***This report highlights the most significant areas of customer concern and some of the key actions that the company has committed to taking to address these concerns over the next five years.***

The Panel will continue to assess the company’s performance against PR19 outcome delivery incentives until the end of the asset management period 2020-25 business plan in March 2025. Thereafter, we will focus on performance against new outcome delivery incentives for the company’s PR24 business plan from 2025-2030.

The company’s PR24 business plan has four key themes, all of which were identified as priority areas during customer research. The Panel was fully involved in scrutinising and challenging the evolution of the company’s business plan proposals and endorses the company’s approach as reflecting the extensive customer research and responding to customer concerns during the development of the plans.

#### Customers’ top priorities 2025-30:

- Storm overflows and pollutions
- Water quality and resilience
- Net zero and environmental gains
- Addressing affordability and delivering for customers





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# The WaterShare+ Group Panel

The role of WaterShare+ Group Panel is to represent and protect the interests of customers by providing independent review, scrutiny and challenge of Pennon Group Plc water companies

**We monitor and review performance against the company's current 2020-25 business plan (PR19) and ensure that the company's proposals for its 2025-30 business plan (PR24) are fair for customers and reflect their needs and priorities.**

Water companies are monopolies, which means that household customers cannot choose which water provider they use. The Panel was set up to act as an Independent Challenge Group, as required by Ofwat under PR14. Although Ofwat no longer requires ICGs for PR24, it is best practice to have them in place and the company has committed to doing so. The Panel provides a mechanism for ensuring that customer voices are heard and represented in the company's decision-making processes.

As an independent Panel, we hold regular in-depth sessions with the company executive. Members of the Panel are also regularly invited to attend Board and other company meetings. In addition, public meetings provide opportunities for customers to question senior company executives and hold the company to account. Panel members are chosen for their commitment to representing the interests of customers, constructively challenging the company and holding it to account on issues relating to customers, local communities and the environment. Expert advisers are also invited to attend Panel meetings.

Joining us in October 2023, Ben Harper and Dinah Cox are welcome new additions to the Panel. Biographies of all members of the WaterShare+ Group Panel can be found in Appendix 1. Further detail including the Panel's Terms of Reference and meeting minutes can be found at: [southwestwater.co.uk/watershareplus](https://southwestwater.co.uk/watershareplus)

All members of the WaterShare+ Group Panel are also members of the South West Water Panel and PR24 sub groups, which were created to focus on the development of the new 2025-30 business plan, whilst the group panel focused on delivery of the current 2020-25 plan. Panel members Peaches Golding OBE CStJ and Tony Denham are the Chair and Deputy Chair of the Bristol Water Challenge Panel.

## Customer asked

"Your Water Resources Management Plan says you plan to cut leakage to 50% by 2050. Should you not be aiming for 100%?"

## Company replied

"We want to get leakage as low as possible. 50% is a minimum. Innovation is a key focus for the future, including how we detect leakage on customer properties, thus allowing us to get lower still."

## The WaterShare+ Group Panel continued

From January to July 2023 two sub groups scrutinised the new business plan, one focusing on environmental and technical issues, and the second focusing on customer research, vulnerability, and affordability. From August 2023, as the business plan process started to reach conclusions, these merged into a single sub group including all WaterShare+Panel members.

### Customer asked

"What effect, if any, will the addition of SES Water to Pennon have on our water supplies in the South West?"

### Company replied:

"There are no impacts to water supplies in the South West. SES have been innovating around smart networks and meters and we look forward to hearing more and hopefully benefiting the wider South West."

### WaterShare+ expert advisers

Catherine Jones, Consumer Council for Water

Kevin Ward, Environment Agency

Fergus Mitchell, Natural England



Environment Agency



The expert advisers are invited to attend all Group Panel meetings and they also advise the Panel privately. They provide independent advice and feedback on the company's plans and performance, and the accuracy of what we are told. The Panel and the company are grateful to the expert advisers for their specialist insight and support to our challenge of the company on behalf of customers. Working with the regulators has helped us to learn more about their priorities and how they impact the company and its customers. This has provided a critical, independent perspective on the information provided to us by the company. That said, the opinions expressed within this Annual Report are those of the WaterShare+ Group Panel members as a group, and do not represent the views of the expert advisers or the organisations they represent.

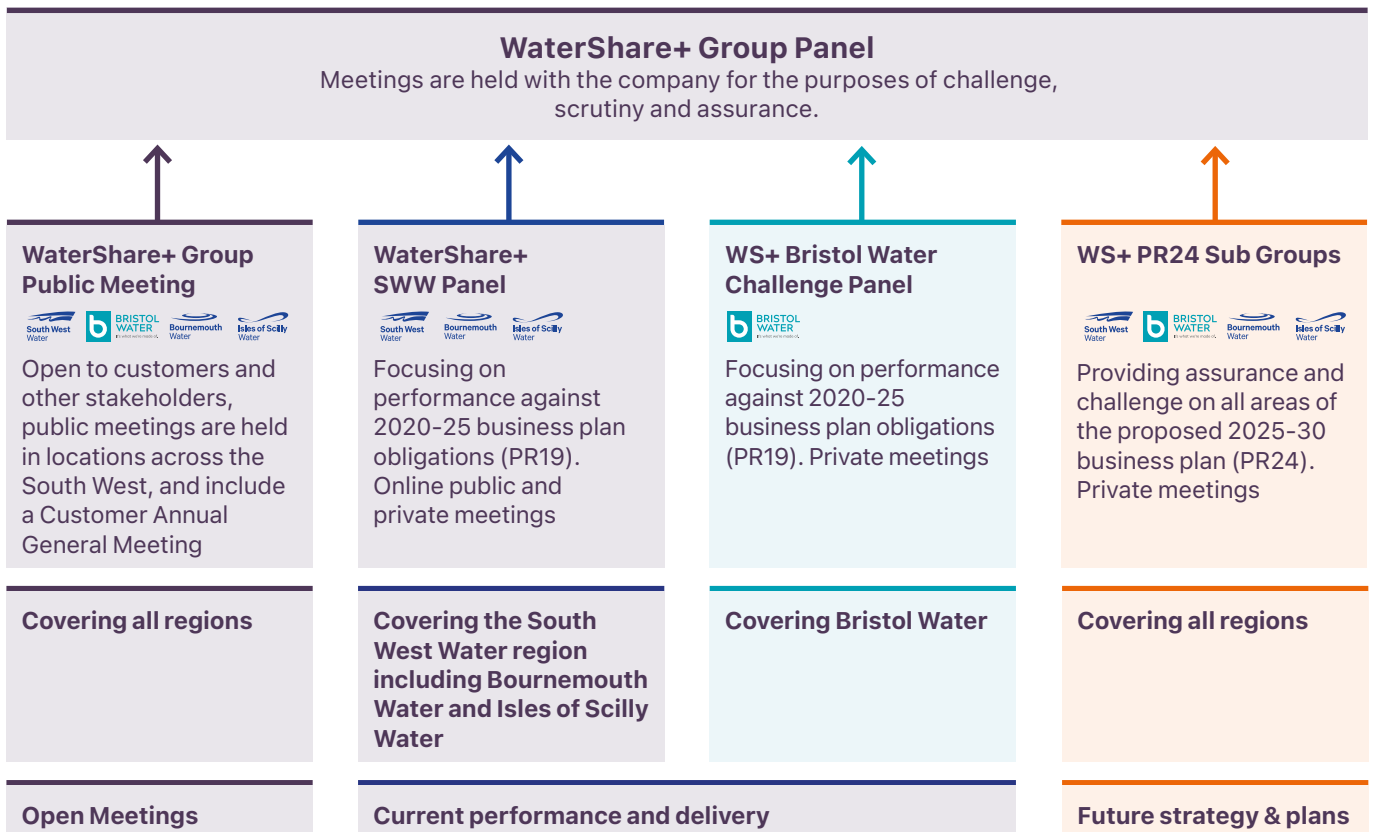


Figure 1: The WaterShare+ Group Panel supported by challenge panels for South West Water and Bristol Water as well as sub groups

The Panel is pleased that the company has engaged openly and proactively with us, providing what Panel members in their experience believe to be unprecedented access to documents, company advisers and the executive. We commend the company on enabling and welcoming challenge and scrutiny, even when it is uncomfortable.

### WaterShare+ Share Scheme

The WaterShare+ Group Panel also oversees the operation of the company's WaterShare+ Share Scheme, which gives customers a financial stake in the business. Water companies earn financial rewards if they outperform against targets in their five-year business plan and they are required to share these financial benefits with customers. In 2020 and 2022, the company outperformed and gave customers the option of choosing shares in Pennon Group Plc or credit on their bill, as their share of outperformance payments.

Pennon Group Plc is the only UK water company to have a specific share scheme for customers and over 90,000 customers have chosen to become shareholders in the company via the WaterShare+ Share scheme to date.

### Customer asked

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"Can you store more rainwater for instance in a new reservoir? "

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### Company replied

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"We are increasing supply side investments with our programme to reinvest c.£125million to diversify water resources across the region, building resilience for now and the long run. We have already made progress – creating new sources through repurposed quarries as well as developing new pipelines, and developing innovative desalination solutions and additional storage."

WaterShare+ shareholders receive dividends and have the right to attend the company's Annual General Meeting. The company has committed to continuing with this approach in the future.



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**1 in 14 of the company's customers are now shareholders thanks to the WaterShare+ Share scheme and the company is aiming for this to be 1 in 10 by 2030.**

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# Highlights of 2023/24

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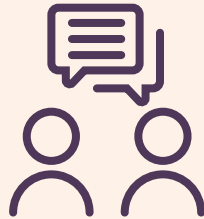
## Panel activities



**6**

**Events**

with customers, speaking to 200 individual customers across Bristol, Devon and the wider region online



**19**

**Meetings**

between the panel and company executives



**267**

**Actions**



**126**

**Challenges**

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## Panel engagement with customers\*



**89%**

I understand the aims and objectives of this session



**98%**

It is important that the public can take part in such discussions



**74%**

Overall, I am satisfied with the session



**95%**

I would like to participate in similar events in future

The Panel are committed to improving customer involvement as explained in our new ways of working on p26.

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## Panel influence on Company plans

Ofwat's Overview of South West Water's PR24 Draft Determination

***South West Water achieved an "Outstanding Quality and Ambition" rating for PR24 business plan – centred on the priorities and preferences of customers.***

\*This data is from the 61 of 200 attendees who responded to surveys sent out after our public meetings in 2023/24.

# Actions & Challenges

**The Panel maintains an Action and Challenge Log to keep a record of all questions, comments, information requests and issues raised during scrutiny of the company's operations and performance.**

Actions become challenges whenever the company makes a change to its work or plans because of the Panel's scrutiny. Potential challenges are also recorded and monitored. The company's responses to each action and challenge are considered by the Panel, recorded within the log and marked as closed only when we are satisfied that the action or challenge has been fully resolved. We are pleased to report that the company continued to engage with this process in a constructive and supportive manner in 2023/24.

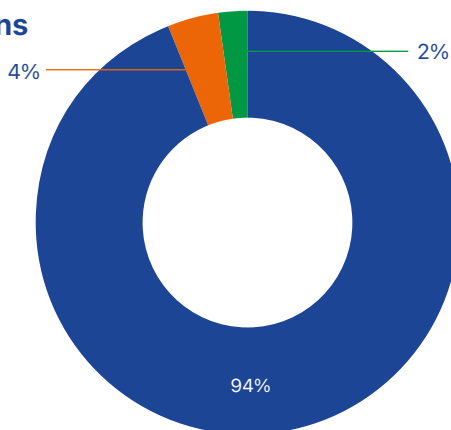
## Action and Challenge Log

The Panel recorded 267 actions and 126 challenges during 2023/24.

The issues covered by Panel discussions cover all aspects of company operations that affect customers. These range from water quality and pollutions to executive bonuses and shareholder dividends. We also regularly address customer-specific issues such as seeking and listening to customer feedback; protecting vulnerable customers; affordable bills and improving communications with customers.

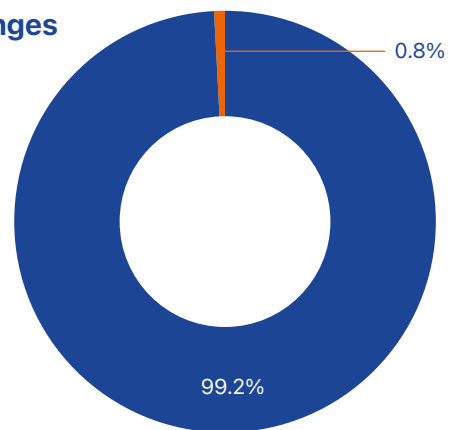
The Panel also challenges the company on how the weather affects performance, for example with wet winter weather in 2023/24 contributing to storm overflows and the potential for dry summer

### Actions



■ Closed actions	252	94%
■ Actions pending closure	10	4%
■ Open actions	5	2%
<b>Total</b>	<b>267</b>	<b>100%</b>

### Challenges



■ Closed challenges	125	99.2%
■ Open challenges	1	0.8%
□ Challenges pending closure	0	0%
<b>Total</b>	<b>126</b>	<b>100%</b>

## Actions and Challenges continued

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weather in 2024 to affect water supplies and quality. The reality of climate change means that this is an increasing area of focus for the company and the Panel.

As well as assessing performance against the company's current business plan (PR19) commitments and shaping the 2025-30 business plan (PR24), we are also involved in the development and review of the company's longer-term plans. These include its Water Resource Management Plan (WRMP) and Drainage and Wastewater Management Plan (DWMP).

We also review industry-wide and regulatory developments, including reports from organisations such as Ofwat; the Environment Agency; Natural England; The Department for Environment, Food and Rural Affairs (Defra), the Consumer Council for Water and the Drinking Water Inspectorate (DWI). In addition, we are kept fully informed about issues relating to the company, such as the Ofwat enforcement investigation announced in May 2023, into the accuracy of information reported by the company for its performance on leakage and per capita consumption (PCC). The Panel will report further on this issue after Ofwat publishes its decision later in 2024.



# Company Performance

The company's regulator, Ofwat, has set each water company a series of service targets

These are known as performance commitments, and they run for the five year period from 2020-25 (PR19).

These performance commitments have rewards and penalties associated with them, which are known as outcome delivery incentives. Twelve of these are industry-wide outcome delivery incentives and the company reports regularly on its action plans and performance in these areas.



The company updates the Panel on a quarterly basis with regard to performance against all of the company's outcome delivery incentives. This report includes performance data for South West Water including Bournemouth Water and Isles of Scilly Water.

South West Water met or exceeded its targets on 30 of the 44 outcome delivery incentives for PR19 in 2023/24, which equates to around 70%. Overall performance has deteriorated from 31 targets met or exceeded in 2023/23.

## Performance against PR19 outcome delivery incentives later in 2024

On track or ahead of target	2022/23	2023/24
Areas of excellence	6	8
Outperformance	10	6
On track	15	16
Total number of targets met or exceeded	31	30

Underperforming	2022/23	2023/24
Marginal underperformance	10	11
Areas of focus (significant underperformance)	3	3
Total number of target areas requiring improvement	13	14

The Panel welcomes the company's performance in areas where it is on track or outperforming, particularly where performance has improved or further improved such as sewer blockages, improving bathing water quality and priority services for customers in vulnerable circumstances.

Our focus, however, is on addressing areas of weakness (see underperformance table above). This is particularly the case as the company enters its final year of the PR19 business plan, which ends on 31 March 2025. Below are the 14 areas of underperformance for 2023/24. Please see Appendix 1 for South West Water's performance against all 44 outcome delivery incentives in 2023/24.

### Areas of underperformance against outcome delivery incentives

Areas of underperformance are as follows and the Panel will continue to scrutinise performance and robustly challenge the company on these issues as needed.

#### **Clean, safe and reliable drinking water** Underperformance in 3 of 7 areas

Outcome delivery incentive	2022/23	2023/24	Improving ↑ stable = worsening ↓
Water supply interruptions	Marginal underperformance	Marginal underperformance	=
Taste, smell and colour contacts	On track	Marginal underperformance	↓
Water quality compliance	Marginal underperformance	Marginal underperformance	=

Having a continuous supply of clean, safe and reliable drinking water is of the utmost importance to customers. We are pleased to see continued outperformance in the areas of mains repairs and unplanned outages, but we are disappointed by the company's continued underperformance in terms of supply interruptions. In 2023/24, these were caused by a combination of significant trunk water main bursts and the impacts of extreme weather. The company kept us fully informed and updated about steps taken to resolve significant supply interruptions, and the support provided to customers throughout. We are also disappointed to see continued underperformance in terms of water quality compliance, which measures the risk of treated water compliance failures (but, importantly, does not mean that the water is unsafe to drink). The company has action plans in place for both areas.

An increased number of customers contacted the company about discoloured water in 2023/24. Drought conditions were in place for much of 2023, following an exceptionally dry 2022, which meant that the company was unable to perform its usual levels of flushing activities. The drought restrictions were lifted in August 2023 and the flushing levels have since increased. The company expects to perform better on this outcome delivery incentive in 2024/25.


#### **Available and sufficient resources** Underperformance in 2 of 3 areas

Outcome delivery incentive	2022/23	2023/24	Improving ↑ stable = worsening ↓
Water restrictions placed on customers	Area of focus - significant underperformance	Marginal underperformance	↑
Per capita consumption (PCC)	Marginal underperformance	Marginal underperformance	=

Drought restrictions in the form of hosepipe bans were put in place in Devon and Cornwall during 2022, due to prolonged drought conditions and could not be lifted until September 2023. The company has stated that, due to its interventions and increased rainfall levels after the end of the drought, it will not need to introduce water restrictions in 2024. The Panel was kept fully informed throughout the period affected and we scrutinised the company's response to the drought conditions. The company has extensive plans in place to ensure that customers will continue to have enough water to meet their needs, and we continue to review and challenge the company's plans for supply improvements, which include new water sources such as repurposed quarries and desalination plants. Leakage performance remained on track in 2023/24.



The amount of water consumed per customer has increased across the country because more household customers have been working from home since COVID. The company's water efficiency initiatives encourage customers to use less water and new progressive charging trials aim to reward customers for using less water. The Panel will continue to review and comment on these initiatives, particularly as this is an industry-wide issue.

 <b>Reliable wastewater services</b> <b>Underperformance in 4 of 9 areas</b>			Improving ↑ stable = worsening ↓
Outcome delivery incentive	2022/23	2023/24	
External sewer flooding incidents	Marginal underperformance	Marginal underperformance	=
Treatment works compliance	On track	Area of focus - significant underperformance	↓ ↓
Total wastewater treatment works (WWTW) compliance	On track	Marginal underperformance	↓
Compliance with sludge standard	Marginal underperformance	Marginal underperformance	=

External sewer flooding incidents happen when sewage backs up and overflows into gardens or external areas of a customer's property. This has been affected by prolonged periods of significant rainfall and high groundwater levels. The company has reduced the number of these incidents by 8% since 2022/23, but is still below target. We are pleased to see that the company continues to significantly outperform against internal sewer flooding incident targets.

We are disappointed by the downturn in treatment works and wastewater treatment works compliance. The company is measured on how it manages its drinking water and wastewater treatment works to ensure it meets with permitted discharge consents, minimising any pollution to the environment from discharges.

**Case study**

*Mains burst in Exmouth*

**In December 2023, a pressurised sewer main in Exmouth burst. While the main was out of action, tankers were used to transport sewage through the town. This was extremely unpopular with local residents, especially as flooding meant that the tankers had to go through residential areas.**

Storm overflows activated at the time and sewage from the burst main entered the watercourse. Local residents and the Panel were deeply concerned about beach safety and pollution. The sewer burst three more times after the December incident and the company replaced an 800-metre section of it, at a cost of around £2 million to add resilience to the local network and prevent future bursts. The company provided regular status updates to the Panel, as well as details of customer communication and engagement throughout.

We scrutinised the action taken by the company and pressed it on its approach to reducing the risk of similar incidents in the future.



## Company Performance continued

The company was expected to meet 100% compliance in 2023/24, but only achieved 96.19% compliance in treatment works and 97.9% compliance in total wastewater treatment works compliance. The company has an action plan for treatment works compliance, holds regular reviews with the Environment Agency and provides training for site staff. The company's WaterFit programme of work and investment aims to improve water quality in rivers, seas and the wider environment. South West Water aims to achieve 99% compliance at treatment works in 2024/25, which is within the industry-wide 'deadband'. Storm overflows and pollutions are a key area of concern for the Panel and for customers.

The company has developed and enacted plans for compliance with the sludge standard and performance has improved marginally since 2022/23. We will continue to monitor and challenge on this area.



### Responsive to customers

Underperformance in 1 of 8 areas

Improving ↑  
stable =  
worsening ↓

Outcome delivery incentive	2022/23	2023/24	
Customer measure of experience (CMeX)	Marginal underperformance	Marginal underperformance	=

CMeX is an industry-wide comparative measure of customer satisfaction for residential customers. Customers are asked how satisfied they are with the service provided and how likely they would be to recommend the company to family or friends. The company has an action plan for this area including a substantial number of initiatives, including a Community Roadshow Programme. The company provides the Panel with regular and detailed updates on customer satisfaction initiatives and performance. We are pleased to see that the company is on track or outperforming in the other seven areas relating to customer care, including satisfaction with value for money and providing priority services for vulnerable customers.

### Case study

### Customer rebate



The South West has three percent of the country's population but is a popular tourist destination with a third of the country's bathing waters. Water bills in the South

West have traditionally been higher than other areas of the country due to the company's £2 billion investment in its Clean Sweep programme to clean up the area's historically polluted beaches after water companies were privatised.

Special legislation was passed through Parliament in Spring 2012 that gave South West Water up to £40 million annually to reduce household bills by £50 from 2013. This made bills fairer and more affordable for local residents. In October 2023, the Panel wrote to government to request an extension to the rebate, arguing that it was essential to customers that it remain in place. This was a success, and customers received the rebate again in 2023/24. We will continue to champion customers and press the company to innovate to do what it can to keep bills as affordable as possible, and best support all customers who struggle to afford their bills.



**Fair charging and affordable bills for all**  
**On track or outperformance in 4 of 4 areas**

The Panel particularly commends the company’s significant outperformance in the number of customers (over 62,000) who receive financial support through its WaterCare and WaterSure support tariffs.



**Protecting the environment**  
**Underperformance in 3 of 6 areas**

Outcome delivery incentive	2022/23	2023/24	Improving ↑ stable = worsening ↓
Pollution incidents - wastewater	Area of focus - significant underperformance	Area of focus - significant underperformance	=
Number of pollution incidents category 1-3 (water only)	Marginal underperformance	Marginal underperformance	=
Environmental Performance Assessment	Area of focus - significant underperformance	Area of focus - significant underperformance	=

It is clear from our public meetings that pollution incidents are of huge concern to customers and communities. In the table above, wastewater pollution incidents involve sewage leaks, while water only pollution incidents relate to contaminants flowing into the water environment from water pipes and equipment. In each case, Category 1 pollutions are serious, extensive or persistent and Category 2 are lesser, but still significant pollutions. Category 3 pollutions have a minor or minimal impact on the environment, people or property with only a limited or localised effect on water quality.

The company agreed that it can and must do more to create a step change in performance in wastewater pollutions. The company’s performance has been affected by 2023 being the fifth wettest year on record. There were 11 named storms as well as exceptionally high groundwater and rainfall levels during 2023/24. This meant that there was less time to respond to issues at the company’s 655 treatment works and around 1,200 pumping stations. The company acknowledged that, due to these factors, the benefits of its Pollution Incidents Reduction Plan (PIRP) will not be seen until 2025. Category 1 and 2 wastewater pollutions remained stable in 2023/24 but category 3 pollutions, (the most minor category), remain an extremely challenging area. In terms of water pollutions, the company has put new measures in place to respond as quickly as possible to bursts next to a water course, and we will continue to monitor and scrutinise this.

We have been pleased to see the further development of the company’s WaterFit Live beach water quality reporting system – [www.southwestwater.co.uk/waterfitlive](http://www.southwestwater.co.uk/waterfitlive) – during 2023/24. This provides near real-time data on storm overflows and bathing water quality in the region’s 151 bathing beaches. As part of this programme, the company now has monitors at 100% of its storm overflows. We believe this to be a useful and reliable source of information for customers and other stakeholders.

The Panel is particularly disappointed that the company continues to have an Environmental Performance Assessment rating of two out of a possible four stars, which means that its environmental performance ‘requires improvement’.

## Company Performance continued

Introduced by the Environment Agency in 2021, the Environmental Performance Assessment star rating provides a comparative measure for how water companies protect the environment. The EPA score is based on a series of metrics relating to pollution incidents and how companies report them; compliance with permits for discharging treated wastewater; performance against the company's agreed Water Industry National Environment Programme (WINEP) commitments; sludge use and disposal; water resources management and monitoring of storm overflows (which is a highly contentious issue for customers). The target set by Ofwat for 2023/24 was four stars, which is industry leading.

We continue to challenge the company on this area and assess how their investments and plans will improve environmental performance. This is a key area of focus for the company in its 2025-30 business plan and a high priority issue for customers and communities. We welcome the company's focus on and investment in this area, and we will continue to hold the company to account on its environmental performance. We were pleased to see that the company's performance on biodiversity enhancement, compliance and prevention of deterioration was on track or above in 2023/24.



### Resilience

#### Underperformance in 1 of 5 areas

Outcome delivery incentive	2022/23	2023/24	Improving ↑ stable = worsening ↓
Resilience in the round – water	Marginal underperformance	Marginal underperformance	=

This outcome delivery incentive measures the number of properties affected by unplanned water supply interruptions lasting longer than 12 hours. The company's performance deteriorated from November 2023 with cold weather and intense rainfall having an additional impact on resolving supply interruptions. The company introduced an action plan on this in 2022/23 and we note that, although the company failed to meet its target on this outcome delivery incentive, overall performance has improved since the previous year. All other targets in this area were on track or above in 2023/24.



### Benefiting the community

#### On track or outperformance in 2 of 2 areas

The Panel commends the company for its performance in these areas, particularly its significant outperformance in bathing water quality.

We met with the company's technical assurance provider, Jacobs on one occasion. We were pleased to be assured that they found no material issues with the accuracy and reliability of the data provided by the company in relation to the ODIs. There were minor concerns about reporting methodologies in two areas, and the Panel will continue to monitor the company's resolution of these issues.

Please see the South West Water Annual Performance Report and Regulatory Reporting (APR) at [southwestwater.co.uk/about-us/performance/how-we-are-performing](https://southwestwater.co.uk/about-us/performance/how-we-are-performing) for full data on the company's performance in 2023/24.

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# Customer Engagement

## The Panel ensures that meaningful customer engagement is at the heart of what we do

**The Panel ensures that meaningful customer engagement is at the heart of what we do by facilitating two-way participation at public meetings, and crucially assurance of the quality and use of customer research and feedback. We have challenged the company to make sure the results of customer engagement have been reflected in the price review cycle, preparing the PR24 business plan and long-term delivery strategies.**

We hold public meetings online and in person at locations across the company's areas of operation in Cornwall, Devon, Bournemouth and Bristol. At every public meeting we hold, we ensure that customers have the opportunity to challenge and ask questions of senior company executives including Susan Davy, the CEO of South West Water. Customers are also invited to submit questions in advance of the meeting and the company provides a written response to all questions, in 2023/24 ranging from the hosepipe ban across Devon and Cornwall, to what the company is doing to reduce leakage, how water resources will be maintained with growing demand and why storm overflows are still being used.

The Panel takes a keen interest in the complex challenges facing the water sector, for example climate resilience, pollution and biodiversity, and the company's efforts to address them.



After several sewage warnings were issued on the north coast of Cornwall, Panel members visited the company's local wastewater treatment works at St Agnes and were briefed about two significant pollution events at nearby Treyaunance Cove. Rainfall caused the storm overflows to spill diluted sewage into a stream and triggered the run-off of large quantities of muddy water from the rural landscape at the top of the catchment. The Panel examined how the company will be investing £800,000 in the St Agnes catchment over the next two years to address these issues. We also learnt more about one of the company's pilot natural catchment management plans that are designed to provide cleaner water at lower cost while preserving wildlife and the environment.



The Panel regularly reviews and comments on the company's ongoing customer research activities. For example, the Youth Board and WaterFit Live focus groups. The Panel's expert adviser at the Consumer Council for Water also reviewed the WaterFit Live research to provide their perspective and feedback.

Members of the Panel also attended and commented on the company's 'Your water, your say' meetings, which took place in May and November 2023. Required by Ofwat, these meetings were opportunities for customers to question the company and challenge them over their business plans.

Pennon Group Plc acquired Sutton & East Surrey Water (SES) in January 2024. The Panel is looking forward to representing these new customers and integrating the work of the SES independent Customer Scrutiny Panel into WaterShare+.

**Meetings held in person and online** **2023/24**

WaterShare+ Group Panel meetings for Cornwall, Devon, Bournemouth and Bristol. A mix of public and private meetings with the company executive and water sector advisers.	9
South West Water Panel meetings for Cornwall, Devon and the Isles of Scilly, and Bournemouth Water. A mix of public and private meetings with the company executive and water sector advisers.	4
PR24 sub group meetings. Private meetings with the company executive. In January 2023, two sub groups (Environmental & Technical, and Customer Research, Vulnerability, and Affordability) were established to scrutinise specific areas of the company's PR24 business plan. In August 2023, these were combined into one PR24 sub group.	12

**Case study**

*Engaging with customers*



In January 2024, the WaterShare+ Group Panel hosted a public meeting in Barnstaple. This provided an opportunity for customers to find out about the company's operations in North Devon and its plans

for the future, including the company's PR24 business plan proposals. South West Water's CEO, Susan Davy, described local initiatives such as the innovative and multi-award-winning Upstream Thinking programme, which is a collaboration between the company, regional conservation charities and farmers to protect water courses and restore water quality.

Customers were invited to ask questions and challenge the company on all aspects of its business. Public events are a valuable way for the Panel and the company to hear about issues that matter to local residents. The event also included 'market stalls' where customers could discuss or find out more about specific areas such as water quality, leakage, metering and careers at South West Water. The meeting provided valuable customer feedback and has helped to shape our ongoing discussions with the company.

# Future Priorities:

## During 2024/25 the WaterShare+ Group Panel will champion customer priorities and challenge company plans

### Panel's priorities 2024-25

Work with the company to finalise its PR24 business plan, ensure that any changes made ahead of Ofwat's Final Determination continue to represent best value for customers and the environment

Introduce new and enhanced ways of working to better represent customer interests and focus on local as well as company-wide issues

Welcome SES Water into WaterShare+

Assess the company's performance against PR19 outcome delivery incentives until end of Asset Management Period in March 2025 and then against PR24 ODIs thereafter

### Customers priorities 2025-30

Storm overflows and pollutions

Water quality and resilience

Net zero and environmental gains

Addressing affordability and delivering for customers

### Case study

### Progressive charging

Ofwat has challenged companies to introduce innovative tariffs that support affordability and other sustainability goals such as reducing water use. In consultation sessions on possible tariffs, customers have told us that they feel they are paying a premium for high peak summer demand when visitors flock to the region. In addition, they think that using tariffs to incentivise water efficiency could help customers to use less water, which would make bills more affordable.

In response, and with the Panel's support, the company introduced progressive charging trials in areas of Devon, with Bristol and Bournemouth starting in October. The trials will identify what would work well for customers. Three different trials are taking place during 2024/25. One encourages less excessive water use while the others are trialling different types of seasonal water tariff, to reward customers who use less water in the summer

months, when there is more demand. We will ensure that the company listens to customer feedback and only introduces new tariffs that are fair for customers.



# New Business Plan

## 2024 Price Review (PR24)

The Panel engaged extensively with the company's leadership and executive teams to ensure that the 2025-30 business plan proposals represent best value for customers and the environment. We commend the company on its high quality, representative, robust and appropriate engagement with customers and other groups during the process.

We issued challenges to the company to demonstrate how customers support its proposed business plan through research, and how it will reduce the use of storm overflows. Vitally, we continue to emphasise that the final version of the business plan must put customer priorities first.

Please see our extended [Annual Report 2023](#) and the [South West Water Independent Challenge Group Report on the PR24 Business Plan](#) for details of our engagement, evidence review and scrutiny undertaken ahead of the submission of proposals to Ofwat in October 2023.



The company **listened to more than 250,000 customers** about what matters and reflected this in its PR24 business plan proposals.

### Finalising the business plan

Ofwat published its Draft Determinations for water companies on 11 July 2024. According to its Overview of South West Water's PR24 Draft Determination:

*"On assessing the quality and ambition of the 2025-30 business plan that South West Water submitted to us in October 2023, overall, we have categorised the original plan as outstanding. South West Water's plan is ambitious and allows us to challenge other companies in the sector to deliver better outcomes for customers and the environment. It also put forward sector-leading performance targets on water supply interruptions and sewer flooding."*

Having worked closely with the company on the business plan proposals on behalf of customers, we join the company in welcoming Ofwat's recognition of the quality of the business plan, which is underpinned by significant customer and stakeholder support. The business plan has been recognised as a 'leading plan' within the industry.

The Panel will scrutinise any changes required by the company in response to the draft package proposed by Ofwat. We will challenge the company as necessary to ensure that customer needs continue to be met and concerns addressed.



On the 28 August 2024, the company submitted its response to Ofwat following the publication of the Draft Determination.

Ofwat currently expects to publish Final Determinations on 19 December 2024, this may be delayed as Ofwat has also published a consultation on a proposed modification to companies' licences.

**74% of customers** think that the business plan the company submitted to Ofwat in October 2023 is acceptable

This would allow Ofwat to delay Final Determinations until January 2025 if necessary. We will report further on this in future and will discuss the PR24 business plan at its public meetings following Ofwat's Final Determination.



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# New Ways of Working

## The WaterShare+ Group Panel will introduce a new structure and approach to meetings following the Customer AGM in September 2024

**This is to ensure that the Panel continues to meet the needs of customers, is run efficiently and can meet the future expectations of customers and Ofwat, as well as accommodating the growth of Pennon Group Plc. The new approach will include enhanced engagement with customers, particularly on local issues.**

The role and remit of the Panel will stay the same – to act as an Independent Challenge Group that challenges, scrutinises and holds the company to account on behalf of customers. The Consumer Council for Water, Environment Agency and Natural England will continue to provide expert advisers to inform and shape the Panel's work and priorities. One of the strengths of our approach is hosting public meetings that provide customers with regular opportunities to directly engage with, question and challenge the company's executive on areas of interest and concern. This will continue and we will also still oversee the WaterShare+ Customer Share Scheme, which provides further opportunities for customers to have a real say in the running of their local water business.

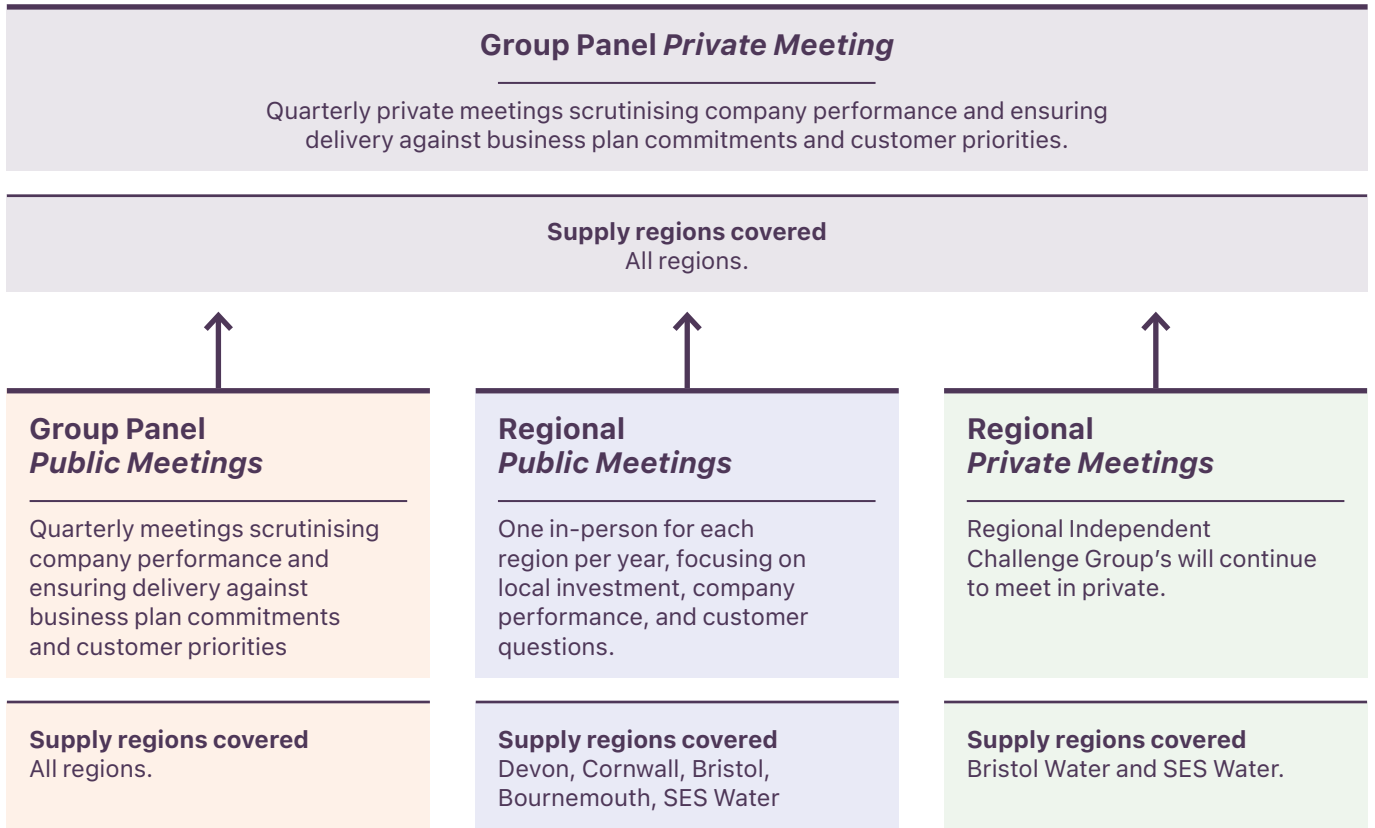
With the company's acquisition of SES Water in January 2024, we want to guarantee that customers have ample opportunity to raise and get answers to local as well as company-wide questions.

For this reason, Panel members will include a Chair and Deputy Chair for each region – Devon, Cornwall, Bournemouth, Bristol and the SES Water region. Senior company executives including CEO Susan Davy, will continue to attend public and private meetings. The Panel's PR24 combined sub group will meet until Ofwat publishes its Final Determination in December 2024.

The Panel's new ways of working has been informed by the Consumer Council for Water's Realising the Opportunity Final Report. Published in March 2024, this review of Independent Challenge Groups in the water sector makes a series of helpful recommendations and provides a checklist for effective challenge. In the Consumer Council for Water's Review of Water Companies' 2025-30 Business Plans, it states that South West Water's is one of a small number of companies that "worked well with their Independent Challenge Groups, letting them scrutinise the plan's building blocks and the customer evidence to support it. It's clear that the ICGs' challenges influenced the plan."

The Panel's Terms of Reference will be updated to reflect our new approach. The company is committed to continuing to work closely with the Panel, welcoming challenge and adequately resourcing our new and enhanced ways of working.

The Panel's meetings will be as follows:



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# Key Customer Priorities for 2024/25

**The Panel will continue to assess the company's performance against PR19 outcome delivery incentives until the end of the asset management period 2020-25 business plan in March 2025. Thereafter, we will focus on performance against new outcome delivery incentives for the company's PR24 business plan from 2025-2030.**

The company's PR24 business plan has four key themes, all of which were identified as priority areas during customer research. We commend the company on its extensive customer research and responsiveness to customer concerns during the development of the plans. We were fully involved in the evolution of the company's business plan proposals and endorse the company's approach.

The following highlights the most significant areas of customer concern and some of the actions that the company has committed to taking to address these concerns over the next five years. Please note that the figures supplied below are from the company's proposed PR24 business plan, as submitted to Ofwat in October 2023. Ofwat's Final Determination on the company's business plan in December 2024 may affect some of these figures.

## Storm overflows and pollutions

### Customers said



1. Prevent sewer flooding



2. Reduce reliance on storm overflows



3. Prevent pollution



4. Protect bathing water quality

### The company has committed to

Ensure that the South West will have the lowest absolute level of water pollutions in the industry, matching its sector leading internal flooding performance

Reduce spills from storm overflows at bathing and shellfish waters to minimal levels by 2030

Adopt a twin track approach of nature-based and hard engineering solutions

For the first time ever, put in place sewerage networks and treatment facilities on the Isles of Scilly

### The Panel's perspective

We will continue to intensely scrutinise the company's sewage pollutions in terms of reduction plans, performance and how it engages and communicates with customers on this issue. Also known as storm overflows, Combined Sewage Overflows (CSOs) act as a safety valve to protect homes and businesses but are, quite rightly, a highly contentious issue for customers and local communities.

CSOs release diluted wastewater into the environment through stormwater overflows when the sewerage system is at risk of being overwhelmed, for example after heavy rainfall. For more information please visit [www.southwestwater.co.uk/storm-overflows](http://www.southwestwater.co.uk/storm-overflows). The process is strictly regulated by Defra and the Environment Agency, but customers and other stakeholders have grave concerns about this process and are demanding change.

Attendees at WaterShare+ public meetings have made it very clear that pollution is at the forefront of people's minds and, in 2024, it also became a high-profile issue in the UK's 2024 General Election. Customers care deeply about the environment and public safety, and we will continue to hold the company to account on these issues. The company agrees that any pollution is one pollution too many, and it is committed to delivering a step change in water and wastewater services by 2030.

## Water quality and resilience

### Customers said



1. Clean, safe drinking water



2. Resilience to extreme weather



3. Reduced leakage

### The company has committed to

• Reduce the water it takes from environmentally sensitive rivers by 12 million litres per day

• Accelerate the replacement of lead pipes across its network, including customer pipes, to be lead free by 2050

• Develop new water resources to increase supply by 70 million litres per day

### The Panel's perspective

Ensuring adequate water supplies in an environmentally sensitive way is of the utmost importance now and in the future, particularly in the face of climate change and population growth. We will support and challenge the company in responding to these issues. In terms of clean and safe water, we scrutinise the company's plans and the details of all significant incidents including cause, company response, the impact on customers and actions taken to avoid similar incidents in future.

During 2024/25, we will be looking closely at all aspects of the major cryptosporidium incident in Brixham. Discovered in May 2024, and caused by a damaged air valve casing on private land, the incident led to confirmed cases of cryptosporidiosis in customers and up to eight weeks of boil water notices. We will report on the consequences and lessons learned from this incident in future.

## Net zero and environmental gains

### Customers said



1. Boost nature and wildlife



2. Protect rivers

### The company has committed to

- Lower carbon emissions and boosting renewable energy use
- Promoting nature, protecting and enhancing species
- Improving waste management and embracing innovation and creativity
- Delivering nutrient neutrality

### The Panel's perspective

Customers in the South West have a strong connection to the environment and their natural surroundings, and they want to protect nature and wildlife. We welcome the company's emphasis on this area and the extent of its plans for 2025-30, including its commitment to achieving net zero emissions by 2030. We will continue to scrutinise the company's plans and their impact on customers and communities.

The company plans to invest in climate-independent water sources, water reuse and enhanced transfer networks. It will also repurpose brown field sites, build new reservoirs (while being mindful of the environmental impacts of reservoirs) and amplify its water resources significantly. We welcome the company's plan to set up a new Environmental Advisory Panel that will hold the company to account on behalf of its environmental stakeholders.

## Addressing affordability and delivering for customers

### Customers said



1. Excellent customer service and responsiveness



2. Keeping bills affordable

### The company has committed to

- Delivering a £200m package of support for customers struggling to pay
- Eradicate water poverty in its regions by 2030
- Deliver the change customers want, whilst keeping bills as low as possible
- Start rolling out its smart metering programme
- Ensure bills are fair, including testing new ways of charging
- Deliver responsive, tailored customer service with additional support for those who need it most
- Continue to engage and listen to feedback, rebuilding trust with customers and their communities

### The Panel's perspective

Against the backdrop of a cost-of-living crisis and rising dissatisfaction in water companies' abilities across all service areas, customer trust in water companies has decreased substantially in recent years. These are all areas where the Panel holds the company to account on behalf of customers.

The Panel is satisfied that the company works hard to listen to customers, is prioritising customer needs and is seeking to improve customer information and experience. We encourage the company to continue to communicate openly and fully with customers – across a variety of channels to address key issues of trust, to start to rebuild it. We will continue to scrutinise and report on the company's performance as well as giving customers the opportunity to challenge senior executives and have their voices heard.



# Appendix 1

## Company Performance

### Performance change between 2022/23 and 2023/24

↑ Improving  
= stable  
↓ Worsening

### Outcome delivery incentives 2023/24 – c. 70% on track or ahead of target

8

#### Areas of excellence

Where performance has significantly exceeded the company's commitment

6

#### Outperformance

Where performance has demonstrably exceeded the company's commitment

16

#### On track

Where the company's performance has met its commitment or is within tolerance

11

#### Marginal underperformance

Where the company believes that it has plans to quickly return performance to within committed levels

3

#### Areas of focus

Where significant work is underway to achieve plan commitments with executive-led improvement plans overseen by the Board

### Customer

7/8

targets met/on track (6 of 8 in 2022/23)

Responsive to customers	2022/23	2023/24	Change
Developer services measure of experience (D-MeX)	Marginal underperformance	On track	↑
Operational contacts resolved first time – water	On track	On track	=
Operational contacts resolved first time – wastewater	On track	On track	=
Customer satisfaction with value for money	On track	On track	=
British Standard for Inclusive Service Provision	On track	On track	=
Overall satisfaction of services received on the Priority Services Register	Outperformance	Outperformance	=
Priority services for customers in vulnerable circumstances	Outperformance	Area of excellence	↑
Sub-measures			
Priority services for customers in vulnerable circumstances – reached	Outperformance	Area of excellence	↑
Priority services for customers in vulnerable circumstances – actual contacts	Outperformance	Area of excellence	↑
Priority services for customers in vulnerable circumstances – attempted contacts	Outperformance	Area of excellence	↑
Customer measure of experience (C-MeX)	Marginal underperformance	Marginal underperformance	=



## Wastewater

5/9

targets met/on track (6 of 9 in 2022/23)

Reliable wastewater services	2022/23	2023/24	Change
✓ Internal sewer flooding	Area of excellence	Area of excellence	=
✓ Sewer collapses	Area of excellence	Area of excellence	=
✗ External sewer flooding incidents	Marginal underperformance	Marginal underperformance	=
✓ Sewer blockages	Marginal underperformance	Outperformance	↑↑
✓ Odour contacts from wastewater treatment works	Outperformance	Outperformance	=
✗ Treatment works compliance	On track	Area of focus - significant underperformance	↓↓
✗ Total wastewater treatment works compliance	On track	Marginal underperformance	↓
⊙ Descriptive compliance	On track	On track	=
✗ Compliance with sludge standard	Marginal underperformance	Marginal underperformance	=

## Water

5/10

targets met/on track (6 of 10 in 2022/23)

Clean, safe and reliable drinking water	2022/23	2023/24	Change
✗ Water supply interruptions	Marginal underperformance	Marginal underperformance	=
✓ Mains repairs	Outperformance	Outperformance	=
✓ Unplanned outage	Area of excellence	Area of excellence	=
✗ Taste, smell and colour contacts	On track	Marginal underperformance	↓
⊙ Efficient delivery of the new Alderney Water Treatment Works	On track	On track	=
✗ Water quality compliance (CRI)	Marginal underperformance	Marginal underperformance	=
⊙ Efficient delivery of the new Knapp Mill Water Treatment Works	On track	On track	=
Available and sufficient resources	2022/23	2023/24	Change
✗ Water restrictions placed on customers	Area of focus - significant underperformance	Marginal underperformance	↑
⊙ Leakage	On track	On track	=
✗ Per capita consumption	Marginal underperformance	Marginal underperformance	=

## Fair charging

4/4

targets met/on track (4 of 4 in 2022/23)

<b>Fair charging and affordable bills for all</b>	 2022/23	2023/24	Change
 Installation of AMR meters	Outperformance	On track	↓
 Number of customers on one of our support tariffs	Outperformance	Area of excellence	↑
 Voids for residential retail	Outperformance	On track	↓
 Percentage of customers who find their water bill affordable	Outperformance	On track	↓

## Environment

3/6




targets met/on track (3 of 6 in 2022/23)

<b>Protecting the environment</b>	 2022/23	2023/24	Change
 Biodiversity – enhancement	Area of excellence	Area of excellence	=
 Biodiversity – compliance	On track	On track	=
 Biodiversity – prevent deterioration	Outperformance	Outperformance	=
 Pollution incidents	Area of focus - significant underperformance	Area of focus - significant underperformance	=
 Number of pollution incidents category 1-3 (water only)	Marginal underperformance	Marginal underperformance	=
 Environmental Performance Assessment	Area of focus - significant underperformance	Area of focus - significant underperformance	=

## Resilience

2/2

targets met/on track (2 of 2 targets in 2022/23)

<b>Benefitting the community</b>	 2022/23	2023/24	Change
 Bathing water quality	Outperformance	Area of excellence	↑
 Abstraction incentive mechanism	On track	On track	=

Resilience

4/5



targets met/on track (4 of 5 in 2022/23)

Resilience	2022/23	2023/24	Change
⊙ Resilient water and wastewater services on the Isles of Scilly	On track	On track	=
✓ Resilience in the round – wastewater	Area of excellence	Area of excellence	=
✗ Resilience in the round – water	Marginal underperformance	Marginal underperformance	=
✓ Risk of sewer flooding in a storm	Area of excellence	Area of excellence	=
⊙ Risk of severe restrictions in a drought	On track	On track	=



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# Appendix 2

## Meet the Panel



**Lord Matthew Taylor**  
**Chair of WaterShare+ Group Panel**

Lord Matthew Taylor was a Member of Parliament until he stood down in 2010. He has a passion for the environment, and supported Surfers Against Sewage when it was first created, including enabling its first parliamentary campaigns and taking part in local direct actions to highlight and address untreated sewage outfalls. More generally Matthew continues to advise successive governments and others on more sustainable planning. He was the first independent non-executive director at South West Water, focused on improving customer outcomes and the environment, standing down from that role in 2019. Matthew continues to champion customer interests and the environment, by holding the company to account as the independent WaterShare+ Chair.



**Peaches Golding OBE CStJ**  
**Deputy Chair of WaterShare+ Group Panel  
and Chair of Bristol Water Challenge Panel**

Peaches is His Majesty's Lord-Lieutenant for Bristol; Vice President of the Royal Society of St George; Non-Executive Consultant of Moon Consulting Ltd, and a Trustee of the SS Great Britain and the Bristol Zoological Society. She was awarded an OBE for services to minority ethnic people in the South West and the CStJ for services to faith and humanity. Peaches has an honorary MBA from the University of the West of England (UWE), a Doctorate of the University from UWE and a Doctorate of Letters from the University of Bristol. She is an Honorary Captain of the Royal Naval Reserves and President of the affiliation between Bristol and HMS Prince of Wales.

## Appendix 2 – Meet the Panel continued

■ South West Water ■ Bristol Water ■ Bournemouth Water



### **Eur Ing Nick Buckland OBE**

Nick continues to champion the needs of customers having successively chaired South West Water's independent WaterShare+ and WaterFuture Panels. An experienced and highly regarded leader, Nick is the Chair of the social mobility charity Future First and a Chair, Non-Executive Director and Trustee of other organisations in the public, private and voluntary sectors. In recognition of his outstanding services to innovation and technology, Nick was appointed OBE in the 2009 New Year Honours List. He was also awarded an Honorary Doctorate in Technology by Plymouth University in 2013.



### **Dinah Cox OBE**

Dinah lives just outside Exeter, and Devon has been her home for 10 years. She is working as Interim CEO for the grant-making trust, Devon Community Foundation, which she chaired from 2020. She is a Non-Executive Director for Devon and Cornwall Police and a Member of the National Trust's South West Regional Advisory Group. She has over thirty years' experience working to influence, develop and fund social change both in paid and trustee work. In 2024 Dinah became a Deputy Lieutenant for the county of Devon.



**Anthony Denham**  
**Deputy Chair of Bristol Water  
Challenge Panel**

On retiring from a successful career in the electrical power industry, Anthony became a champion for water customers in the South West when he joined WaterVoice (latterly the Customer Council for Water). Since 2015 Anthony has been the Deputy Chair of the independent Bristol Water Challenge Panel where he helps to lead the challenge to the water company on behalf of customers.



**Ben Harper**

Ben is the Chief Executive Officer of the Watergate Bay group of companies. These encompass Watergate Bay Hotel on a spectacular surfing beach on the North Cornwall coast; award-winning holiday let agency Beach Retreats; Another Place hotels in the Lake District and on the Isle of Islay as well as SeaSpace, a new oceanside aparthotel in Newquay, Cornwall. Previous roles include spending six years helping the serviced apartment company SACO (now EDYN Group) to double inventory, revenues and profitability and transitioning the business through a private equity cycle culminating in its sale to Brookfield Asset Management.

## Appendix 2 – Meet the Panel continued

 South West Water  Bristol Water  Bournemouth Water



### Richard Lacey

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



### Carole Theobald

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

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# Appendix 3

## Glossary

Initials	Explanation
AGM	Annual General Meeting – a yearly meeting between shareholders and a company’s Board of Directors
AMP	Asset Management Period – the five-year period for which the Price Review sets the company’s revenue and thus the customers’ bills. AMP7 started in 2020 and AMP8 in 2025
APR	Report produced by the Company for regulatory reporting purposes, known previously as the Regulatory Accounts
BWCP	Bristol Water Challenge Panel
CCW	Consumer Council for Water – the independent voice for water consumers in England and Wales
C-MeX	C-MeX is the industry wide measure of customer satisfaction based upon surveys both of customers who have recently contacted their water company and a random sample of members of the public.
CRI	Compliance Risk Index (CRI) is a measure designed to illustrate the risk arising from treated water compliance failures, and it aligns with the current risk-based approach to regulation of water supplies used by the Drinking Water Inspectorate (DWI)
CSO	Combined Sewer Overflows – also known as storm overflows, these act as a safety valve to protect homes and businesses by releasing diluted wastewater into the environment when the sewerage system is at risk of being overwhelmed
Defra	UK Government Department for Environment, Food and Rural Affairs



## Appendix 3 – Glossary continued

Initials	Explanation
D-MeX	D-MeX measures the quality of services to developers and other third parties. It has two components. The qualitative component is based on interviews with developer services customers that have transacted with a water company in the previous month. The quantitative component is based on the water company's performance against a key set of Water UK metrics which measure the service provided by water companies to their developer services customers
DWI	Drinking Water Inspectorate – formed to provide independent reassurance that public water supplies are safe and drinking water quality is acceptable to consumers
DWMP	Drainage and Wastewater Management Plan – water companies' long-term plans on managing sewerage and wastewater over a 25-year period
EA	Environment Agency – a public body that works to protect and improve the environment and support sustainable development in England
EPA	Environmental Performance Assessment – a non-statutory tool for comparing performance between water and sewerage companies, introduced by the Environment Agency
FD	This is the conclusion of discussions on the scale and content of the Asset Management Plan for the forthcoming five-year period. It is accompanied by a determination of the framework allowable charges for the forthcoming five-year period
ICG	Independent Challenge Group – independent groups that challenge water companies on behalf of customers
NE	Natural England – the government's advisor for the natural environment in England
ODI	Outcome Delivery Incentive – financial or reputational incentives for each performance commitment, set by Ofwat in its Final Determination
Ofwat	The name used to refer to the Water Services Regulation Authority (WSRA). The WSRA acts as the economic regulator of the water industry
PCs	In consultation with Ofwat and our customers, we have set measurable targets for each outcome delivery incentive that represent the delivery of our outcomes
PCC	Per Capita Consumption – a measure of the volume of water used by each person
PIRP	Pollution Incident Reduction Plan – an action plan describing how water companies will improve their performance on pollution

## Appendix 3 – Glossary continued

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<b>Initials</b>	<b>Explanation</b>
PR19	Price Review 2019 – sets the customer bills for AMP7 from 1 April 2020 to 31 March 2025
PR24	Price Review 2024 – sets the customer bills for AMP8 from 1 April 2025 to 31 March 2030
PSR	Priority Services Register – a free service available for customers who need extra support
SES	Sutton and East Surrey Water
WINEP	Water Industry National Environment Programme is the programme of actions water companies need to take to meet statutory environmental obligations, non-statutory environmental requirements or delivery against a water company's statutory functions
WRMP	Water Resources Management Plan – water companies' long-term plans on managing supply and demand of water over a 25-year period



The WaterShare+ Group Panel is the Independent Challenge Group for:



**Pennon Group Ltd**  
Peninsula House, Rydon Lane,  
Exeter EX2 7HR

[pennon-group.co.uk](http://pennon-group.co.uk)

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