



# Stakeholder newsletter

Autumn 2019

## Introduction

Hello and welcome to our autumn newsletter, designed to keep you up to date with the latest news from across our business.

While June was unseasonably wet, we remain concerned by the prospect of a fourth 'dry' winter in a row. That is why we continue to ask our customers to use water wisely, whatever the weather, and as you will see from [our outlook](#), we will shortly begin our annual education campaign to help our customers reduce leaks on their pipework.

Talking of leakage, we are currently fixing around 1,400 a week on our network, a 10-year high, in addition to spending over £1 million a day.

Over the summer we have been working flat-out on our plans for the next five years (2020-2025) and at the end of August we [submitted our latest representations](#). Ofwat's final determination is due in December, and we are calling on them to reconsider their approach, which could have serious adverse consequences for customers and the environment.

Since the last newsletter we've published our [Annual Report](#), in which we have prioritised investment over external dividends; renewed the social contract with customers (see [Community investment](#)) and revamped our Board and governance to build trust and boost transparency.

With best wishes

Ian Marchant  
Interim Executive Chairman



Water supply outlook



Our business plan



Campaigns update



In the news



Community investment



Find out more  
and contact us

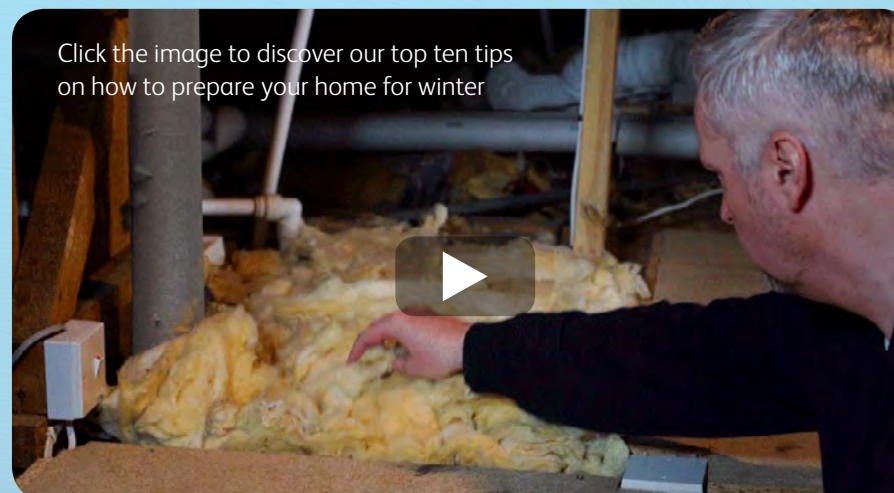
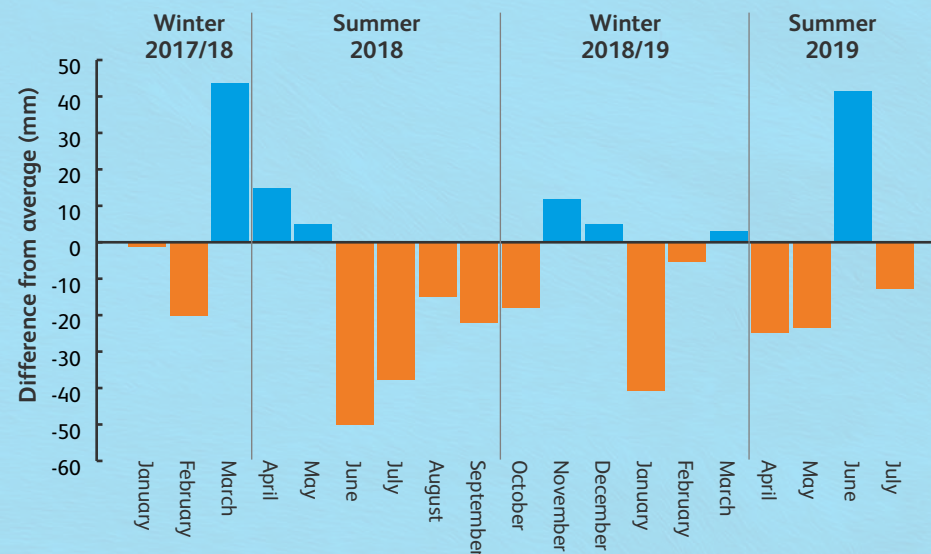
## Water supply outlook

This summer we haven't experienced a prolonged heatwave like last year, nor the record high demand for water that accompanied it. Nevertheless, it was reassuring to have additional measures in place in a number of areas, and they will no doubt be tested in future very hot spells. We're now heading towards autumn with our reservoir levels around normal for the time of year.

Although the last few weeks have been unseasonably wet, the longer-term picture still gives cause for concern. The last three winters have all been drier than average and our area has received below average rainfall for eight of the last 12 months (see graph). Another drier than average winter will mean underground water sources, which provide much of the flow in rivers and are only replenished by winter rainfall, could be very low next year. With this in mind we're watching the situation carefully and are preparing for further dry weather.

Since all the water we provide to our customers comes from the environment, we're asking them to help us protect rivers and wildlife by using [water wisely](#), whatever the weather.

As we move into winter we'll also be reminding our customers of the importance of lagging internal and external pipework to protect it from the cold and reduce the likelihood of leaks and bursts in their homes. Read our top winter tips [here](#).



## Our business plan

As part of the process of agreeing our investment plan for 2020 to 2025, we have [submitted representations to Ofwat](#) following its 'draft determination', which set out the regulator's planned approach.

We want to do the right thing for the environment and our customers, and our Board has concluded that this would not be possible on the basis of Ofwat's approach, which would lead to overspending and penalties. Combined with returns even lower than the modest levels we proposed, we would be unable to finance the investment that is needed. This would have serious adverse consequences for our customers and the environment.

Our bills have stayed flat in real terms for a decade, and we had put forward a small reduction in bills - but recognise that Ofwat would like to go further. To try and bridge this gap, we have set out a lower-cost plan which would reduce bills beyond what we had proposed, while still meeting our statutory obligations. But it would be a missed opportunity to invest further and renew the infrastructure our customers rely on.

For example, this lower-cost plan would mean we would have to defer expenditure on a new water treatment works serving North East London, the City and Canary Wharf; and defer much-needed capacity expansions of major sewage treatment works to cater for population growth.



Following extensive engagement, 86% of our customers found our business plan to be acceptable

We would also have to put off important work to improve the resilience of our ageing infrastructure, and to tackle key future challenges - such as the effects of climate change. By contrast, our engagement and research has found that our stakeholders and customers want us to prioritise increased investment to improve resilience and operational performance.

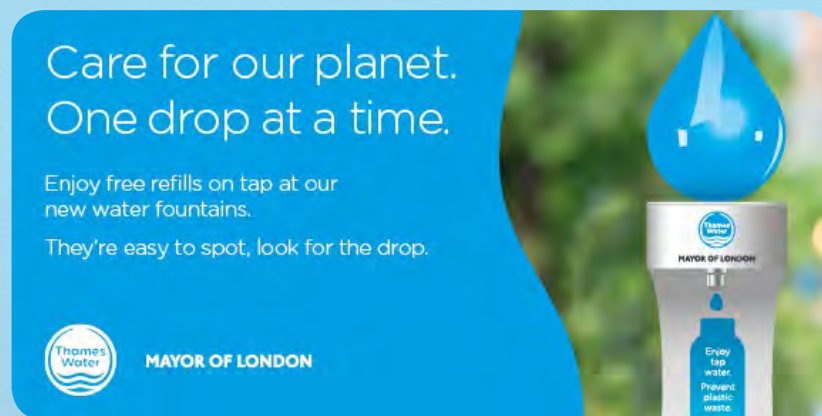
We hope that Ofwat will look carefully at our concerns before publishing its final decision in December. We want to work with Ofwat to identify a way forward that avoids the time and cost of a referral to the Competition & Markets Authority - and which allows us to get on with delivering what our customers want and the environment needs.

## Campaigns update

### Preventing plastic pollution

We've recently announced our partnership with the Mayor of London to install 100 drinking water fountains across the capital – the aim is to help promote the quality of our world class tap water, while encouraging Londoners to reduce the amount of single-use plastic bottles. It's estimated the average Londoner buys more than 175 plastic water bottles a year, with less than half being recycled.

The installations are now under way with the first fountains already in use across Ealing, Camden and Greenwich. Click the image below to find your nearest fountain.



### Hampton Court legacy

We were delighted to win a gold at this year's [RHS Hampton Court Palace Garden Festival](#) for our 'Flourishing Future' garden.

It highlighted the challenges of climate change, and gave us an opportunity to educate visitors about how little rain we've had in recent years and the impact this is having on rivers.

We were joined by environmental partners to help showcase the breadth of work being done across the industry to help protect our most precious resource and the habitats it supports.

With sustainability a key theme, we set ourselves an ambitious target of recycling over 90% of the garden. We selected three organisations to take the materials and plants – [Action for the River Kennet](#), [Trees for Cities](#) and [Groundwork](#) and we're looking forward to seeing their respective community and school gardens.



## In the news

Stories from our in-house Newsroom continue to highlight some of the great work being done by our engineers on the ground as well as teams behind the scenes to support customers, improve service and make our business more sustainable.

In recent months we've published a number of stories including ones about the tenth anniversary of our [trust fund](#), which provides financial help to customers in need, our pro-active leak detection work uncovering a large leak in London, a cycle path being made from [plastic carrier bags](#), our support for this year's [RideLondon](#) event and a happy outcome for a [work experience student](#).

You can read all our news by clicking [here](#).



For the first time on a cycle lane in the UK, a special waste plastic asphalt has been laid which is comprised of the equivalent of 1.1 million plastic bags



A college student has gone from nervous teen to confident young man after being offered a job at the end of three weeks work experience with us



87,000 litres of tap water were served at this year's Prudential RideLondon event

## Delivering for our communities

We hugely value a wide range of partnerships across multiple sectors, which allow us to share knowledge, combine resources and amplify the difference we can make to the environment and communities within which we all live and work. A lot of what we do is often carried out away from public view, but we're always happy to showcase the work that we're doing.

### Hogsmill open day

For our customers to buy-in to our vision for the future, it is important we educate them as to how we safely provide clean water and wastewater services, while meeting environmental commitments.

In July, over 400 people joined us at Hogsmill sewage treatment works and nature reserve, in Surbiton, to see for themselves the hard work that takes place.

We were joined by several of our partners including [South East Rivers Trust](#), [Citizen Zoo](#) and local businesses, who helped make the day a success.

### £4m Pangbourne investment



Miles Evans  
with Councillor  
Lynne Doherty,  
Leader of West  
Berkshire Council

We recently opened our water treatment works at Pangbourne, Berkshire, to showcase our £4.2 million investment upgrade.

During the very high demand for water throughout last year's heatwave, this site struggled to treat water to the necessary standard fast enough to keep up with customers turning on their taps. Through the delivery of a new filter plant, we're now

able to treat up to 450 litres of water every second – that's more than two full bathtubs.

With a changing climate and population growth predicted across the south-east, it's important that this site continues to feed our 40,000 customers across the Thames Valley.

### Tidefest

We are delighted to continue our support for Tidefest this year. Based at Strand on the Green, Chiswick, the day is a celebration of all things River Thames. In addition to paddleboarding, angling and live music, we're also opening our nature reserve at Kempton with guided tours to showcase this Site of Special Scientific Interest. For more information, please visit [thamestidefest.net](https://thamestidefest.net).

## Find out more

Click the below links to access for information on the following:



Our business plan for the next five years



Our plan to manage water resources for the next 80 years



Free services for customers who need additional assistance



Keep track of our reservoir levels and latest rainfall figures



Our 2018/19 annual report and annual performance report



### Call us

Please call our 24 hour help line on:  
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### Email us at

[customer.feedback@thameswater.co.uk](mailto:customer.feedback@thameswater.co.uk)  
quoting 'stakeholder newsletter' in the subject line, if  
feeding back on this update

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