

# 5 years, 5 pledges

**Consultation on our  
business plan for 2020-25**

3 May – 8 June 2018



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# At a glance: 5 pledges for 2020-25

Water matters and plays a part in almost everything we do. Our job is to provide water to our customers now, as well as plan a long way into the future. During the first five years of our longer term plan, we're pledging to improve what we do, focussing on what you've told us is important.

## High quality water, all day every day

You've told us that you're happy with the water we provide and you rarely experience problems.

We're really proud of that but we know there is even more that we can do.

## Fair prices and help when you need it

Most of you have told us that you don't worry too much about paying your water bill but for others it can be a struggle.

We want your bill to be fair and to offer extra support when needed.

## A service that is fit now and for the future

You can see the world around us changing and rightly expect us to continue meeting challenges and embracing opportunities.

We plan to get ahead so you, your children and grandchildren continue to receive a great service - whatever the future holds.

## Excellent service, whenever and however you need it

You've said that unless there's an issue with your water supply you don't need to contact us but if you do, you expect us to get it right.

We want to make sure every interaction with us is effortless and we respond to your needs.

## Support a thriving environment we can all rely upon

You value local rivers and wetlands and expect us to do our bit to protect and improve where your water comes from.

We agree with you and are committed to being a responsible local company.


### Some of the ways we'll get there...

- 100% of you will be connected to more than one treatment works
- At least 80% of you will have a water meter
- Reducing the amount of water lost through leaks by 12%
- Resolving more enquiries first time round
- Cutting supply interruptions in half
- Reducing our impact on the environment

# How much will it cost?

To deliver everything you've told us is important will cost more money, but we are always looking at ways to lower costs and pass these savings onto customers.

To give you a realistic estimate of what you could be paying in 2025, we also need to include inflation which is the general rise in prices for goods and services over time. Taking all this into account, this could be the average bill in 2025:



Average bill in 2019:	£200
Minus efficiency and finance savings	- £38
Plus improvement pledges in this plan	+ £23
Average bill in 2025 (before inflation)	= £185
Estimated inflation by 2025	+ £20
Amount due in 2025:	= £205

This could be the average bill in seven years' time





What do you think? Have we pledged to do the right things or are there things we should do differently?

Read on to help make up your mind as we've set out more details on each pledge, as well as the impact this will have on your bill.

Account Number: 81LL 1N 2025

Billing date: 1 April 2025

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**How to pay**

Pay by credit or debit card online at: [www.seswater.co.uk/paymybill](http://www.seswater.co.uk/paymybill) or Call our automated payment service on: **0800 587 2936**

Available free of charge 24 hours a day, 365 days a year. Please have your account number and bank details to hand.

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 **Thousands of customers save money by having a free water meter fitted!**

Take control of your water use and only pay for the water you use. Apply online at [www.seswater.co.uk/meter](http://www.seswater.co.uk/meter) or give us a call.

- We guarantee you won't pay more for the first two years
- You can trial the meter for two years too
- No disruption to your garden or driveway

You can influence our plan so let us know your views at [seswater.co.uk/talkonwater](http://seswater.co.uk/talkonwater)

# Our journey

## Where we've been



## Where we are now



## What happens next



# Who we are

**We supply 160 million litres of water each day to 688,000 people in east Surrey and parts of West Sussex, west Kent and south London.**

As a small company we are committed to providing a great local service. We play an important role as a responsible employer, in contributing to the education and wellbeing of our future citizens and making the area a great place to live, work and visit.

Although compared to most other water companies we are small, as your provider we have a big role to play, not only in delivering water 'on tap' today, but in planning for tomorrow; so you, your communities, our local economy and the environment we share continue to thrive.

# What is important to you?

We've been talking to you about your priorities to make sure we focus our plan on the things that matter most. To make sure we deliver what you need, there are four themes running through our plan:

There are also some specific challenges in this part of the country that we need to address:

**Affordable bills** - making sure water is affordable for all

**More people** - we operate in one of the fastest growing regions in the UK

**Great customer service** - providing you with an effortless experience

**Less water** - the south east has less rain per person than many Mediterranean countries

**Innovation** - finding new and different ways of doing things that are better than before

**Changing climate** - we expect to see more extreme weather like droughts and floods

**Resilience** - looking after what we have and recovering quickly if problems occur

**Environment** - we operate in one of the most environmentally sensitive parts of the country

# Our pledge

## We'll provide you with high quality water all day, every day

You've told us that the quality of your water is your number one priority and breaks in your supply - both during planned and emergency work on our pipes - are inconvenient.

We'll continue to provide you with the highest quality water and further reduce the risk that you lose supplies.

	At the moment...	By 2025...
<b>Water quality</b>	We produce some of the highest quality water in the country	Continue to meet the high standards expected but reduce your bill if we fail to do so
<b>Customer concerns about their water</b>	We lead the industry with the fewest number of contacts per customer about the taste, look and smell of their water	Make sure that the water you receive is of the highest quality to reduce the need for you to contact us
<b>Interruptions to supply</b>	Year after year we are reducing the chance of your water supply being interrupted	Reduce supply interruptions by a further 50%
<b>Burst water mains</b>	We work hard to maintain our water mains and have the lowest level of bursts in the industry	Reduce burst water mains by 10%
<b>Customer confidence</b>	A minority of you have reason to contact us about issues with your water	Ensure that customers are as confident as possible in our ability to provide high quality water all day, every day

To do all of this will add **£1.00** to the current average bill

### How we'll do it

We'll replace more of our oldest and less reliable pipes with new ones made of material that is less likely to burst.

We'll develop 'intelligent' networks that can alert us to problems so we can re-route water to keep you supplied all the time.

We'll meticulously plan routine work on our network to ensure that the quality of water is not affected.



# Our pledge

## We'll provide your service at a fair price and offer help when you need it

You've told us that if you are having money worries or personal issues that are making paying for your water harder, even just temporarily, you'd welcome some extra support from us.

Regardless of your financial position or your circumstances, we want to make sure your bill is fair and we will continue to help those that genuinely need it.

	At the moment...	By 2025...
<b>Helping those in financial difficulty</b>	Over 8,000 of the most financially vulnerable people in our area are on the Water Support Tariff	Provide support, through customers' bills, to 25,000 people who genuinely need it
<b>Helping those that need a little extra support</b>	We provide a range of services through our Helping Hand scheme	Increase awareness of the support we offer and make sure we offer the services customers need
<b>Value for money</b>	Less than 10% of you think your bill is not good value for money	Keep bills as low as possible while improving our service so that more people feel our service is good value for money
<b>Customer debt</b>	We have a good track record in making sure those using water are paying for it	Maintain our current record in managing customers that don't pay their bill and put additional checks in place to prevent people using water that they don't pay for

To do all of this will add **£6.00** to the current average bill

### How we'll do it

We'll work with organisations that are experts in this area to help design tariffs and support options that offer the kind of help that's needed.

We'll also do more to make sure that you know how to get help if you need it





# Our pledge

**We'll provide you with a service that is fit now and for the future**



You've told us that making sure water is used carefully and not wasted – particularly from leaking pipes – is a big deal. You've also said you'd like to do your bit by reducing how much you use, and you want our help.

We need to continue investing in our business so that we provide you with a reliable supply. We also need to make better use of the water we have by reducing leaks and helping you use less so supplies go further.

	At the moment...	By 2025...
<b>Risk of supply failures</b>	Just over a third of you can be supplied by more than one source meaning if there is an issue at a treatment works we can supply you with water from another one	Increase the connectivity of our water pipes to ensure all of you can be supplied by more than one source
<b>Leakage</b>	24 million litres of water are lost each day but we have one of the lowest levels of leakage in the industry	Reduce the amount of water that is lost each day by a further 12%
<b>Usage</b>	On average you use more water than anywhere else in the country and 52% of you have a meter	Reduce usage by 6% by fitting meters to 80% of properties and promoting water efficiency activities
<b>Drought impact</b>	We plan our investment on the basis that temporary usage restrictions may be needed but only once every ten years	Maintain our current approach to planning for the future and strive to never have to place severe restrictions on water use, such as standpipes
<b>Unplanned outages at treatment works</b>	We invest in the assets that are most likely to impact the service you receive	Reduce the chance of unplanned outages through more targeted investment

**To do all of this will add £11.00 to the current average bill**

## How we'll do it

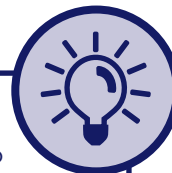
We'll invest in new technology that can help find and fix leaks quicker.

We'll complete our plan to lay more pipes so water can be moved around our network more easily.

We'll keep modernising the facilities and equipment at our sites to reduce the risk of breakdowns.

We'll install free water meters in more homes and trial smart meters for some.

We'll also provide you with extra help to cut water use through home visits, installing water-saving devices and online support.



# Our pledge

**We'll provide excellent service, whenever and however you need it**

You have made it clear that not everybody wants the same thing when it comes to customer service – some want to do everything at the touch of a button but plenty of you still value picking up the phone to talk to us.

Regardless of your reason for contacting us and the method you use, we aim to provide an excellent, tailored response every single time.

	At the moment...	By 2025...
<b>Customer satisfaction</b>	Over 92% of you tell us you are satisfied with your water but we are not performing as well when you need to contact us	You will be amongst the most satisfied customers in the UK as we'll provide you with great water and a great service, as measured by Ofwat
<b>Developer satisfaction</b>	We work hard to ensure that property developers are satisfied with our service – but we can do more	Provide a great water supply connection service, as measured by Ofwat
<b>Complaints</b>	We receive more complaints than we feel is acceptable	Reduce complaints and resolve more enquiries 'first time, every time'

**To do all of this will add £1.00 to the current average bill**

## How we'll do it

We'll build on all the good work we're already doing by investing in digital technology that puts customers in control of their own account online.

We'll continue to listen to customer and developer feedback and adapt our services accordingly, to ensure we're not only meeting, but exceeding expectations.

We'll keep our customer call centre in the area that we serve to provide a truly local service.



# Our pledge

## Support a thriving environment we can all rely upon

You quite rightly value the environment and expect us to play a part in making it better, supporting the wildlife that lives within it. You also want us to prepare for future challenges, such as population growth and climate change.

We are committed to reducing the impact of our operations and will continue to implement more sustainable ways of pumping, treating and distributing millions of litres of water every single day.



	At the moment...	By 2025...
<b>Greenhouse gas</b>	Year-on-year we are reducing the amount of emissions per litre of water supplied	Generate and use more renewable energy and further reduce greenhouse gases by at least 20%
<b>Pollution</b>	We have had no severe pollution incidents in recent years	Strive to never cause significant pollution but if we do, provide compensation to those impacted
<b>Taking water to treat</b>	We comply with the Environment Agency's rules to minimise the impact of the water we abstract	Take further action to reduce our impact in sensitive areas at critical times
<b>Supporting wildlife</b>	We strive to make our sites attractive habitats to a variety of plant and animal life	We will work with local wildlife trusts to further improve the biodiversity of the land we own
<b>improving rivers</b>	We are meeting the requirements of the Environment Agency's National Environment Programme	We will continue to meet the requirements and work with partners to improve local rivers and streams

**To do all of this will add £4.00 to the current average bill**

### How we'll do it

We'll continue to work with local farmers and landowners to help them reduce the amount of pesticides that enter our water sources.

We'll work with our partners and the community to make enhancements to the environment, over and above what we are required to do.

We'll continually work to reduce our use of fossil fuels.



To deliver our 5 pledges for 2020-2025 we need to be:

# A respected and successful local company that has the trust and confidence of our customers, supports our employees and acts responsibly.

By 2025 we want to:

Become even more involved in our local communities



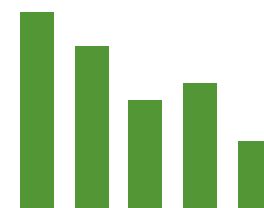
Help our employees be the best they can be



Ensure the way we are owned and run is clear to customers



Continue to reduce health and safety incidents



# How we'll do it



## Being more innovative...

We are constantly working to find new and different ways of doing things that are better than before. Whether it's to find and fix more leaks, help us to complete work on our pipes more quickly with less disruption, or to better understand and monitor what is going on in our supply network, advancements in technology will play a critical role in delivering our pledges over the next five years and beyond.

It's not just about technology though. Our culture and small size means we can be one step ahead and are not afraid to try new things. Our employees are rewarded for their ideas that help improve your service and we'll do more of this so that innovation is seen as everyone's responsibility.

We also know that we can go further by learning from other industries and collaborating with other companies and experts. Above all, we need to ensure that our investments pay off and deliver significant improvements for everyone.

## Attracting and developing great people...

Our people are our greatest asset and an engaged and supported workforce will deliver great service. Of course, it goes without saying that the safety and wellbeing of our workforce continues to be our top priority and one we will not compromise.

As well as nurturing a culture that encourages innovation, we will create a working environment where people thrive and strive to do a great job.

From attracting and retaining great talent, to developing the right skills, to recognising great performance; our people will be at the heart of delivering our pledges.

## Operating more efficiently...

As a small, local company, it's even more important that we find ways to operate as efficiently as possible.

We do this through a number of co-ordinated and expertly-resourced initiatives that aim to make us more efficient and effective than we are today. This is important as it means we know how and why every single pound is being spent and what value this gives you.

We want to work smarter - not harder - which means examining what we do and how we do it and not resting until we're sure we're doing it in the most cost-efficient way.



## Being socially responsible...

We don't want to just do well for our customers, we want to do good for the local communities we serve as well.

Together with our customers we have raised more than £1.5 million for WaterAid which is enough to help 104,000 people gain access to safe water. Closer to home, we give money to local charities from our Community Investment Fund and speak to more than 10,000 people each year through our free education programme. Our 'Give a Day' scheme also sees many employees lending their time to good causes in our local area.

We're proud of what we have given back over the years but we want to do more. That's why we plan to build a new visitor centre at our Elmer Treatment Works to bring our education activities to an even wider audience. We also want to be the first water company to attain the CommunityMark - the UK's only national standard from Business in the Community that publicly recognises leadership.

## Being more transparent and accountable...

You need to have confidence that we are a financially stable business that is run responsibly.

As well as the money we receive from bills, we rely on shareholders to help fund our investment programme. This is important as it means that we can do more to improve your services.

We pride ourselves on being an accountable and accessible local company, without complicated financial structures. However, we recognise there is more we can do to assure you that we are striking the right balance between delivering benefits for you and providing returns to our shareholders.

We'll reduce how much we borrow to help fund our investment programme and make sure that the investment we make and the money that is returned to shareholders through dividends is appropriate and clearly explained - not hidden in complicated reports.

Our Board takes full ownership of this plan and are committed to making sure that the right corporate governance continues to be in place to deliver it.

...to be ready to meet future challenges and make the most of new opportunities.

# We'd like to know what you think about the plan we propose

Does it deliver what matters most to you or would you prefer us to do something different? There are a few really important decisions that still need to be made and we need your help with this.

## Question 1

Do our five pledges focus on the things that matter most to you?

Yes  No  and if not, why not?

## Question 2

To deliver all the improvements, the average bill will increase (see page 2). Do you think this is fair and appropriate?

Yes  No  and if not, why not?

## Question 3

Should we aim to help more or less than 25,000 people in financial difficulty by putting them on our Water Support Tariff? Helping more would further increase your bill, while helping fewer would reduce it.

Less  Same  More

## Question 4

Should we aim to cut leakage by more than 12% to 15%? Doing more would further increase your bill by £3.

12%  15%

## Question 5

Should we aim to cut water usage by more than 6%? We could achieve 8% by fitting meters to 90% of properties, instead of 80%. This would further increase your bill by £1.

6%  8%

## Question 6

Do you have any further comments about our plan?

Comments

# What do you think? In this document we've set out what we plan to do between 2020 and 2025 to improve the service we provide.

Now it's your turn to tell us if we've got it right. After all, your water bill will help pay for what we do so it's really important that we hear from as many of you as possible and that our pledges reflect your priorities.

Please visit [seswater.co.uk/talkonwater](https://seswater.co.uk/talkonwater) to complete an online version of the questions opposite.

You can also print this document and complete the questions by hand if you wish. Please return to SES Water, London Road, Redhill RH1 1LJ.