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Southern Water update on Ofwat final determination

Southern Water has today confirmed it will not be asking for Ofwat's final determination on its Business Plan to be referred to the Competition and Markets Authority.

The company's plan for 2015 to 2020 will see it deliver a wide range of improvements for its customers, with average bills falling by eight per cent before adjustments are made for inflation – much less than the increase in the general cost of living.

Matthew Wright, Southern Water's Chief Executive, said: "Following detailed analysis and discussion, we are confident that the final determination, when looked at in the round, is consistent with our ability to deliver our plan for the coming five years. It also supports the investment required to ensure we are among the leaders in the industry for customer service, operational performance and cost efficiency.

"We began work on our plan in spring 2012, so today's announcement brings to an end a process which has lasted almost three years. During that time, we talked in detail to more than 30,000 customers about the services they want us to deliver, helping us develop a range of 26 clear promises about what we will achieve for the communities we serve.

"I would like to thank everyone who contributed to the development of our plan. We have worked hard to ensure we are fully prepared to make our plan a reality from April and these efforts will continue apace in the weeks ahead."

Southern Water will spend around £3 billion enhancing and maintaining the water and wastewater services it provides in the coming five years, equivalent to £1,500 for every household and business in its area.

The 26 promises the company is committing to deliver for its customers by 2020 include the following:

- 90 per cent of customers' queries resolved the first time they contact Southern Water
- A 25 per cent reduction in sewer flooding inside people's homes and businesses
- No 'serious pollution incidents' affecting local rivers and coastal waters caused by Southern Water's operations by 2020
- A 15 per cent increase in the number of beaches with 'Excellent' bathing water quality in the company's region
- A further reduction in leakage of two million litres of water per day
- A reduction of 15 litres per person, per day in average water use
- Improved support for customers in genuine financial hardship, for example, by introducing a new social tariff.

Further information on Southern Water's Business Plan for 2015 to 2020 is available via www.southernwater.co.uk/haveyoursay.

Ends