

**NORTHUMBRIAN**  
**WATER** *living water*

**ESSEX & SUFFOLK**  
**WATER** *living water*

# OUR ASSURANCE PLAN SUMMARY 2021/22

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Checks we'll make to protect  
your services



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# ABOUT US

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**Northumbrian Water (NW) and Essex & Suffolk Water (ESW) are both part of Northumbrian Water Limited. Northumbrian Water provides water and wastewater services to 2.7 million people in North East England. Essex & Suffolk Water provides water services to 1.6 million people in Essex and 0.3 million people in Suffolk.**

## **OUR ASSURANCE PLAN AND WHAT IT MEANS**

This plan tells you the checks we'll make throughout the year to ensure we deliver on our promises to you and report on them accurately. It also tells you how we plan to reduce any risks and weaknesses in our business that might affect the services we provide and your confidence in us. This is something we do every year.

There are two versions of this document. This is the shorter, summary version. [Click here](#) to read the full Assurance Plan for 2020/21.

## **WHY DO WE NEED AN ASSURANCE PLAN?**

We're delivering services that are vital to public health and take our responsibility as the provider of your water services (and in the North East, wastewater services) very seriously.

It's really important that we have tough measures in place to show how the company is run and that the correct procedures and policies are being followed. This means our employees, customers and stakeholders can trust we are responsible, we behave ethically and the way we report company and financial information is clear.

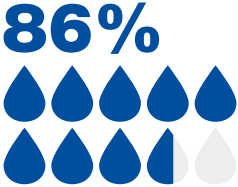
We publish information about our performance and financial information every year in our [Annual Performance Report](#).



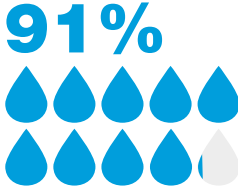
# HOW CUSTOMERS AND STAKEHOLDERS HAVE INFLUENCED THIS PLAN

Customers and stakeholders have helped us to create this Assurance Plan to make sure it tells them what they want to know in a way that is easy to understand.

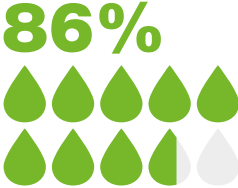
We emailed thousands of randomly selected customers and stakeholders in December 2020, inviting them to read our draft Assurance Plan and complete a survey to give us their views on the contents. We were delighted to receive more than 3,700 responses.



of our customers are confident that the information we publish will be correct and true.



of our customers say our plans to be a company you can trust are clear.



of our customers would not add anything further to the draft plan.

More than 400 customers and stakeholders suggested further information that we could include in the plan. Where appropriate, these have been used to complete our full **Assurance Plan for 2021/22**. This document is a summary of that plan, which shows more detail about the customer and stakeholder suggestions we've used.



# YOU SAID, WE RESPONDED

## “ YOU SAID...

You told us that you wanted to know more about what we're doing to control levels of leakage from our water supply network.

## “ WE RESPONDED...

We've included more detail in this plan. Take a look on **page 11**.



## OUR STAKEHOLDERS

Our stakeholders, including [The Water Forum](#) (an independent group set up to challenge the company on behalf of customers), regularly review what we do. When they looked at our draft Assurance Plan, they wanted us to explain more about how we ensure Health and Safety, any risks to future water supplies in our ESW region, and the impact of the pandemic on water use and our customers' finances. We've added all of these to the full plan.

## “ YOU SAID...

We needed to include more about drinking water quality in your local areas.

## “ WE RESPONDED...

We've included web links to our online portal, where this can be found.



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# ASSURANCE PLAN SUMMARY

## SOME OF OUR STRENGTHS

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### OUR REGULATOR AND OTHER AUDITORS

Water companies in England go through tough checks by the water regulator Ofwat to make sure you can trust the information they provide.

Various other people check that we are running the company properly – our Board, Executive Leadership Team, Internal Audit Team and expert independent auditors, to name just a few. The performance commitments we made in our [Business Plan](#) are regularly checked to make sure we are on target.

### EMISSIONS REPORTING STANDARD

Our annual greenhouse gas emissions have more than halved in the last 12 years and the company continues to lead the industry in green energy generation, purchasing and usage.

To ensure transparency and underline our commitment to emissions reductions, in 2019/20 NWL achieved verification of its emission reports to ISO14064-1 by a third-party. This is considered the gold standard for emissions reporting and attaining this standard is a considerable achievement.

### INDUSTRY AWARDS

A series of awards in 2020 provide further evidence of our strong performance and efforts to support customers.

We're the only water company in the world – and one of only four UK companies – to be named on the World's Most Ethical Company list.

In the Water Industry Awards, we won Company of the Year a second time, for our clear commitment to customer service, innovation, resilience and our people. We were also named a Responsible Business Champion by Business in the Community this year.

### ERADICATING POLLUTION

We're delighted to remain a Frontier Company for pollution incident performance, and are determined to maintain this position. We also aim to have zero pollutions from our assets by 2040. To do so, we've developed our [Pollution Incident Reduction Plan](#) to further improve our performance.

Examples of the work we're doing include:

- Increased monitoring, early warning and intelligence across our wastewater system;
- Developing new sensors and monitors;
- Targeted customer behaviour-change campaigns to reduce fats, oils and greases getting into sewers, and
- Targeted maintenance, for example refurbishing pumping stations and treatment works, lining sewers, and reducing risks from storm overflows.

### OUR APPROACH TO PROVIDING SERVICES

We're a local monopoly, but wherever possible we behave as if we aren't. We treat our customers as if they could choose to buy their water elsewhere because we want to provide world-class customer service.

It's a privilege that our customers put their trust and confidence in us and the work we do every day. We're committed to providing the best possible service at the best value, in the right way for the environment, our communities and our people.

To see how well we perform compared to other water companies, visit [www.discoverwater.co.uk](http://www.discoverwater.co.uk).



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# OUR AREAS OF FOCUS

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**We'll focus on the following areas in 2021/22 to make sure we continue to provide you with the best possible services and manage risks in our business.**



## AREA OF FOCUS: **DRINKING WATER QUALITY**

The drinking water we supply must meet strict quality standards set by our regulator, the Drinking Water Inspectorate (DWI). A perfect drinking water quality score would be 100%, and we routinely score greater than 99.9%. You can trust the quality of our water because we take samples all year round and only a small number of water samples (between 20 to 60 out of around 80,000) fail tests for lead, iron, nickel and taste and smell. None of these failures put our customers' health at risk.

We work hard to supply the best quality tap water possible. This includes regularly flushing the system; replacing old water pipes in our network; improving our treatment works; managing the land around where we take water from; taking the right amount of water, and regularly installing new filters and other treatment equipment. A lot of investment is needed to manage this. Some examples include:

- £21m to build two new water treatment works in north Northumberland to help improve drinking water quality for more than 25,000 people;
- £60m to modernise our Horsley water treatment works, which supplies Tyneside, and
- Our projects in Essex will reduce the risk of water samples failing drinking water quality tests because of pesticides but balance this risk against the availability and demand for water in that area.

### **WE WILL CHECK:**

- Investment continues to improve our water treatment works and network of water pipes;
- Our water treatment process is carefully managed and audited to make sure the drinking water we supply is high quality, and
- Water sample testing continues to monitor drinking water quality.

To find out more about the water quality in your local area, visit the postcode checker on our website:

[Northumbrian Water](#) | [Essex & Suffolk Water](#)

## AREA OF FOCUS:

### **IMPACT OF CLIMATE CHANGE ON FUTURE WATER SUPPLIES (ESW)**

We remain committed to maintaining our future water supplies in the face of climate change, particularly in our water-stressed ESW region. This is an important consideration in our **Water Resources Management Plans (WRMPs)** for both our regions, which we will publish in 2024.

[Northumbrian Water](#) | [Essex & Suffolk Water](#)

### **WE WILL CHECK:**

- We consider climate change in both our supply and demand forecasts;
- For the supply forecast, we take into account the climate change projections from the Met Office, as well as the worst droughts on record;
- We use the Met Office's rainfall predictions to predict river flows;
- We then use these to predict how much water we can take out of the environment to supply to customers;
- We compare these predictions with predictions of our water supplies without climate change, to confirm the effect of climate change, and
- We undertake a similar process for our groundwater sources.

## AREA OF FOCUS:

### FUTURE SUPPLIES AT HARTISMERE (ESW)

We plan water resources on a five-yearly basis. In our last [plans for 2020-25](#), we allowed for a modest increase in demand from new industry at Eye Airfield Industrial Estate in our Suffolk Hartismere water resource zone.

However, instead of the forecast light industry, new meat and herb processing facilities were built, which have much higher demands for water and now fully use all the industrial supply we have.

We're therefore currently unable to either supply new business customers or increase supplies to existing business customers in this zone. We're aware of potential demand from three businesses looking to expand on Eye Airfield.

#### WE WILL CHECK:

- Our new demand forecasts for 2025-30 incorporate these factors;
- Demand and supply schemes are designed to meet future demand;
- We provide enough headroom for any unpredicted demand;
- These schemes will be included in our next Water Resources Management Plan and 2025-30 Business Plan, and
- Subject to the plan being approved, funding for these schemes will be available from April 2025, with new supply schemes likely to be operating in 2026/27.

## AREA OF FOCUS:

### MANAGING THE IMPACT OF COVID-19

The vital importance of delivering clean water and taking away wastewater has never been so clear. We continue to provide customers with this essential public service despite the pandemic.

Keeping our employees safe is very important to us. We've enabled our customer and support teams to work from home and enabled operational and field workers to do essential work safely.

We understand how difficult this time has been for our customers, and this year we've sent emails and letters to potentially eligible customers about our **financial support and priority services**. In addition, we reinforced with customers that, even during toilet roll shortages, other materials should not be flushed down the toilet.

[Northumbrian Water](#) | [Essex and Suffolk Water](#)

#### WE WILL CHECK:

The COVID-19 situation is not over yet. We'll:

- Respond to government guidance;
- Ensure we keep delivering core services safely;
- Look after employees, customers and communities, and
- Work with regulators to understand how to reflect the impact of COVID-19 on our performance commitments for 2020-25.

## AREA OF FOCUS:

### TACKLING COVID-RELATED INCREASES IN WATER USE BY CUSTOMERS

We've committed to reduce water consumption by 5.3% by 2025 and to 118 litres per person per day by 2040 in our business plan. This year, our customers have been using around 20 litres per person more than usual at home each day.

To understand this in depth, we've:

- Researched our customers about how their water use is changing and working from home;
- Joined industry-wide research about the impact of Covid-19 on customer demand, and
- Shared intelligence with other water companies.

The impact of Covid-19 on water consumption is still changing. Further government restrictions have led to more working from home and we had to delay plans to fit water saving devices in customers' homes. Achieving our water consumption targets for 2020-21 will therefore be challenging.

We've adapted and innovated to tackle this challenge, developing new ways of encouraging customers to save water despite such challenges.

Defra (Department for the Environment, Food and Rural Affairs) delayed changes to their policy and national targets for household water consumption while their team worked on their Covid-19 response and Brexit. In the meantime, we started an industry group to develop ways that water and energy savings could be delivered together.

We continue to lobby the Government to support steeper reductions in water use. For example, through mandatory water labelling on household products and more stringent building regulations.

#### WE WILL CHECK:

- We complete 1,500 online 'visits' to customers' homes to understand their consumption this year and offer appropriate water saving devices;
- We monitor the impact of these revised services, and
- We launch e-learning about the water cycle, the value of water and how to use less water.

## AREA OF FOCUS:

### **KEEPING OUR SERVICES AFFORDABLE AND INCLUSIVE DURING THE PANDEMIC**

Our business plan set out numerous commitments to ensure that our services remain affordable and inclusive, and we aim to eradicate water poverty by 2030. While we're on track to deliver these, our plan for how we go about it is evolving to respond to the changing circumstances.

We've offered payment breaks to more than 5,000 customers and discounts to 2,000 customers who were struggling to afford their bills. We also signed up 1,700 extra customers to our Priority Services Register.

We predicted that demand for our financial support schemes would exceed our funding this year because of the pandemic. We therefore asked customers for their views about social tariffs. The results of this enabled us to increase the cross subsidy from customers' bills for 2021-22 to £3 for ESW (an additional £1.25) and £3.75 for NWL (an increase of £1.50). This will allow us to help up to a further 22,000 customers.

In addition, we're directing customers to a benefits calculator on our websites to check their eligibility for benefits and investigating how metering can help reduce water poverty.

#### **WE WILL CHECK:**

- That we remain on target to eradicate water poverty;
- That our services remain affordable, and
- We are supporting all customers who require extra support with our priority services.

## AREA OF FOCUS:

### **BILLS**

We want water and wastewater services to be affordable for all our customers, whatever their circumstances. To check how we set charges, see our **Charges Schemes**.

[Northumbrian Water](#) | [Essex and Suffolk Water](#)

The pandemic has brought challenges to many people's finances. We've increased the number of customers we can support with discounted bills this year, and now host a [benefits calculator](#) on our website to help customers increase their income.

This year we need to apply the impact of the [Competition and Market Authority's findings](#) on customers' bills for the remainder of the five-year period to 2025. We'll work with customer representatives on our [Water Forum](#) and communicate this to customers. For more information about our finances, please read [Our Finances Explained](#).

#### **WE WILL CHECK:**

- We follow and strive to improve on guidance from our regulator Ofwat;
- We follow our tried and tested process for setting and checking our charges every year, which includes an external company and our Board, and
- We publish how we set our charges every April in our Charges Statement.

Find out more about our discounts and payment plans below.

[Northumbrian Water](#) | [Essex and Suffolk Water](#)

## AREA OF FOCUS:

### **SEWAGE TREATMENT SAMPLING (NW)**

We were disappointed with our 2019 two-star Environmental Performance Assessment from the Environment Agency. This was mostly because we didn't supply enough accredited laboratory results to demonstrate sewage treatment work compliance, rather than causing any environmental damage.

We've put various measures in place to prevent this happening again. We aim to be a four-star company for 2020 by demonstrating excellent performance across all factors.

#### **WE WILL CHECK:**

- We consistently deliver our revised sampling programme;
- We provide duplicate back-up results, and
- Our regulatory analysis reporting improves.



**AREA OF FOCUS:**  
**GUARANTEED STANDARDS SCHEME (GSS)**

We believe world-class service is about getting it right first time, every time. We must meet certain standards by law. If we don't meet these standards, we have to make a payment, called a GSS payment, to the affected customer. For more information please see the links below.

[Northumbrian Water](#) | [Essex and Suffolk Water](#)

However, we aim to improve on many of these standards, and also include others that we believe demonstrate an unrivalled customer experience.

**WE WILL CHECK:**

- The way we find, report and issue GSS payments continues to work well, and
- Our system for enhanced compensation, which pays more than standard levels, is fit for the future. We are reviewing this in early 2021.

**AREA OF FOCUS:**  
**DATA PROTECTION**

Information about our customers (personal data) is one of our most valuable assets. Whenever we have to use personal data, we use strict processes and controls to keep your personal details safe. Protecting your privacy rights, and meeting our obligations under the General Data Protection Regulation (GDPR), is essential to our reputation as an ethical and trustworthy company.

To assure this, we have an information access team who continuously improve compliance across the business, and ensure departments follow our privacy policy, procedures and training.

**WE WILL CHECK:**

- We only use your personal data when we have a specific and legitimate reason to do so;
- It's kept accurate, up-to-date and protected, and only kept for the shortest time necessary. It's then disposed of promptly and securely, and
- Personal data is retained inside the UK, unless privacy rights are adequately protected in the receiving country.

You can access your personal data when you wish. Find out more by reading our Privacy Notice.

[Northumbrian Water](#) | [Essex and Suffolk Water](#)

**AREA OF FOCUS:**  
**CYBER SECURITY**

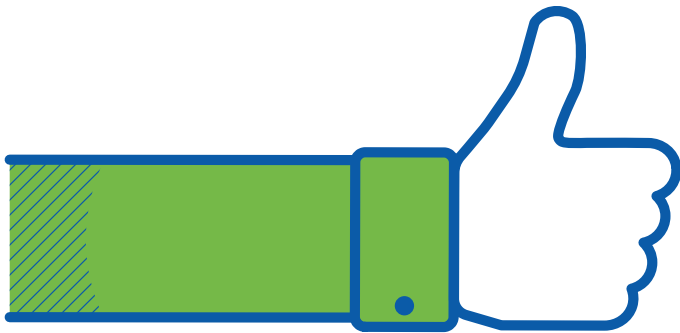
We know customers are worried about cyber attacks and want to know how we keep your information and our computer systems safe.

As a critical national infrastructure company, we have a duty to adhere to the Networking and Information Systems Directive to ensure that we can secure the way we produce and distribute your tap water. The National Cyber Security Centre gives us updates on cyber security risks, the Centre for Protection of National Infrastructure updates us on terrorist activity, and the Met Office gives us advance weather reports.

**WE WILL CHECK:**

- We comply with ISO270001 for cyber security;
- Our employees have regular awareness training and guidance on security and password controls;
- We ensure all our computer systems and infrastructure is secure, including disposing of old equipment and information securely;
- Critical information is protected from major failures or disasters;
- There are regular external audits and independent security tests, and
- Our Board regularly reviews our security processes.

You can read more about this in our [Information Security Policy Statement](#).



AREA OF FOCUS:  
**ONLINE INFORMATION**

Customers can trust the information they read on our websites.

We recently launched our new websites [www.nwl.co.uk](http://www.nwl.co.uk), [www.eswater.co.uk](http://www.eswater.co.uk) and [www.nwg.co.uk](http://www.nwg.co.uk) and our new app where customers can make payments and check their bill.

**WE WILL CHECK:**

- We have a strict process for checking information before it's posted on our websites;
- Existing information on our websites is checked frequently so it doesn't go out of date or become incorrect, and
- We'll also run checks on data provided by our new app.



AREA OF FOCUS:  
**OUR FINANCES**

Like many water companies, we're privately owned and have shareholders who invest money to make a profit. We also borrow money to finance our investments. We openly share information about how we're financed on our websites.

**WE WILL CHECK:**

- Our Annual Report and **Financial Statements** and **Regulatory Financial** Statements are posted on our websites in July every year, and
- An independent external auditor reviews and verifies the financial information we provide.

AREA OF FOCUS:  
**EMPLOYEE HEALTH AND SAFETY**

The safety of our employees, customers and communities is of the utmost importance to us.

**WE WILL CHECK:**

- Compliance with company policy, legal standards and best practice.
- Risk assessment, training, supervision and how change is managed.
- Review our wastewater plants against the Dangerous Substances and Explosive Atmosphere Regulations (DSEAR), to ensure we have no gaps – especially in light of the recent tragic incident at Avonmouth in December 2020.

AREA OF FOCUS:  
**RESILIENT SERVICES**

Our customers expect resilient services, which means they are strong, reliable, affordable, and stand the test of time. If they couldn't bounce back from difficult and unexpected situations, customers would lose faith in us.

We continue to deliver reliable services by anticipating change, planning ahead and making the right long-term decisions.

**WE WILL CHECK:**

- Robust processes are in place to ensure we meet the expectations of our customers and the regulator when it comes to resilience;
- We're investigating the potential impact of climate change on future water supplies;
- We research the effect of the pandemic on how much water customers use at home, and
- Principal risks to our business are published in our **Annual Report and Financial Statements**.

## AREA OF FOCUS: REPORTING IT RIGHT

It's really important that the company information we report is accurate, audited and assured.

Many of our performance targets can earn us financial rewards if we beat them or penalties if we fail to meet them.

### WE WILL CHECK:

- Any penalties or rewards are calculated using the methodology stated in our [Final Determination from the Periodic Review 2019 \(PR19\)](#);
- We include dry runs of data reporting this year – to test our new, upgraded IT systems;
- Strict internal procedures are used for collecting and checking data on our performance;
- External companies independently review our information, and
- Our [Water Forum](#) also scrutinise our performance information. This is an independent customer challenge group that works on our customers' behalf and has their best interests at heart.



## AREA OF FOCUS: INFORMATION FOR OFWAT

We provide information to our regulator Ofwat, so it can fairly compare all water companies. These reports, called cost assessment tables, include information on renewable energy and how much water we have stored.

In 2020-21, all cost assessment data will be submitted as part of our [Annual Performance Report \(APR\)](#). We assure this data through checks by our internal and external audit teams, alongside extensive testing.

### WE WILL CHECK:

- We have strict procedures for collecting, reporting and testing data on energy, water and wastewater activities so that information reported is accurate and complete, and
- Our [Water Resources Management Plans](#) are updated regularly to ensure we have a sufficient and secure supply of water to meet demand and that information is transferred to cost assessment tables accurately.

## AREA OF FOCUS: OUR AMBITIOUS TARGETS

We have some extremely stretching performance targets for 2020-2025 and continue to strengthen our plans to achieve them.

These will include the optimum mix of investing in new infrastructure, changing the way we operate existing assets, and working with our customers to change customer behaviour.

Our ambitious goals include achieving zero water poverty by 2030 and net zero carbon emissions by 2027.

Particularly challenging areas which we will pay close attention to include our sewer flooding reduction targets in the North East and our leakage reduction targets in Essex & Suffolk.

### WE WILL CHECK:

- Investment is made in new pipes, pumping stations, treatment stations and equipment;
- Customer service is improved by working with feedback from customers;
- We identify all areas where we can reduce excess water pressure to reduce leaks
- We build on our Bin the Wipe pilot with customers to reduce blocked sewers
- New, innovative ways of working are developed.

Read more about our ambitious goals in our [Business Plan](#).

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