Supply meets demand

Managing increasing demand on our water and sewerage systems will be critical to ensuring we deliver a sustainable, continuous service over the long term.

To meet this outcome...
We must plan for the long term, taking a twin-track approach to demand management and securing new supplies in order to meet the combined impacts of population growth, climate change and environmental sustainability.

Performance highlights:
- Published final Water Resources Management Plan for 2020–2045
- Consulted on our updated Drought Plan and published the revised version
- Published our approach to working collaboratively with councils to plan for development: Local Plans – An Anglian Water Perspective
- Reduced leakage to our lowest ever levels, the ninth year we have beaten our leakage target
- Brought together 50 stakeholders as part of the co-creation process for Drainage and Wastewater Management Plan

Security of Supply Index (SoSI)
These measure the balance of supply and demand, incorporating risk factors

<table>
<thead>
<tr>
<th></th>
<th>Actual:</th>
<th>Target:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry year annual average</td>
<td>99*</td>
<td>100</td>
</tr>
<tr>
<td>Critical period (peak) demand</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Per property consumption
This measures the average water consumption of the households in our region in litres per household per day

<table>
<thead>
<tr>
<th></th>
<th>Target by 2019/20:</th>
<th>Actual:</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>305</td>
<td>316</td>
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</table>

Leakage (three-year average)
This is the volume of water escaping from our pipes and customer supply pipes every day

<table>
<thead>
<tr>
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<th>Target:</th>
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<tbody>
<tr>
<td></td>
<td>192Ml/d</td>
</tr>
<tr>
<td></td>
<td>Actual:</td>
</tr>
<tr>
<td></td>
<td>185Ml/d</td>
</tr>
</tbody>
</table>

* We have proposed to the Environment Agency to revise this measure to 100 as the zone affected has sufficient mitigation in place to ensure continuity of supply during a dry year.
Scale of the challenge
As a region we face a time of great uncertainty and change. Our supply–demand balance is under significant pressure, and we have to act now to ensure there will be enough water available for future generations. See pages 16–17 for more information on the challenges we face.

Planning for the long term
This year we published our final 2019 Water Resources Management Plan (WRMP), having undertaken public consultation in 2018. This plan sets out how we will manage the water supplies in our region to meet current and future needs over a minimum of 25 years. We will focus on the demand side first to reduce the amount of water used, which is our customers’ preferred priority, and we will also invest in the supply side to maintain the amount of water available.

We also published our Water Recycling Long-Term Plan (WRLTP) in September 2018, and have since used it in discussions with planning authorities, the Environment Agency, customer focus groups and charities. This year we’ve focused on evolving our WRLTP into the production of the Drainage and Wastewater Management Plan (DWMP), to be published in 2022. The DWMP is an industry-wide, stakeholder-focused framework which will give the same level of focus to long-term strategic planning for water recycling as the WRMP does for water planning. In January we held a DWMP stakeholder workshop, bringing together 50 external stakeholders from planning authorities, the Environment Agency, and charitable groups to begin the process of working together.

Demand management strategy

**KEY POINTS**

- Leakage reduction: significant reduction in leakage by 2025 with an ambition of reducing our leakage levels to less than 10 per cent of the water we supply to our customers by 2045.
- Installation of smart meters with complete coverage across our region by 2030 to enable changes in customer usage by giving them access to their daily water usage.
- Innovative water efficiency schemes, including behavioural change initiatives to help our customers become even more water efficient.

Supply-side strategy

**KEY POINTS**

- Investment in a series of interconnecting pipes across our region to better join up our supply network, moving water from areas of surplus to areas of deficit.
- Consideration of additional resources for the medium to long term, e.g. storage reservoirs, water reuse schemes and desalination.

Our guiding principles remain constant and are driven by our customers’ highest priority: that we provide a resilient supply of safe, clean water. We aim to develop a system of water supply that is reliable, sustainable and affordable.

Safeguarding the environment
Under tighter environmental protection laws, we must reduce the amount of water we can take out of rivers and aquifers to feed our water network so that our actions don’t have the potential to cause harm to the environment. Between 2020 and 2025 we will implement ‘sustainability reductions’, relinquishing our abstraction rights in sensitive areas by 85 million litres daily. We are also delivering an extensive programme of improvement works to our region’s rivers, to improve flows and support the natural ecology.

Planning for a drought
This year we have updated and consulted on our latest Drought Plan, which sets out how we will safeguard public water supplies during extended periods of low rainfall, when water resources become depleted, and what we will do to minimise any potential environmental impacts that may arise as a result.

We have also managed a period of below average rainfall between the summer of 2018 and the autumn of 2019, which resulted in record low groundwater levels in some parts of our region. Water resources have now fully recovered across most of our region, following the extensive autumn and winter rainfall events.

Tackling leakage
Together with our fellow water companies in England, we have committed to triple the rate of sector-wide leakage reduction by 2030. Thanks to our exceptional track record on leakage reduction, our CEO Peter Simpson has been chosen to co-sponsor this commitment with the CEOs of Portsmouth Water and Affinity Water, sharing our learnings and driving industry-wide progress.

This year we have reduced leakage to our lowest ever levels of 182Ml/d, a reduction of 9Ml/d from last year. Our three-year rolling average, on which Ofwat measures our performance, is now 185Ml/d, versus our target of 192Ml/d. This is the ninth consecutive year we have beaten our leakage target.

We have continued to roll out our network of permanent noise sensors which listen for new leaks every night. These have been successful at reducing leakage, alerting us to any issues so we can respond before customers need to tell us about them. We have these sensors installed in 183 District Meter Areas covering 247,000 properties (11 per cent of total) and 3,525km of water main (9 per cent of total).

Over the past year we have kept our leakage monitoring systems operational at all times, responding to more than 1,512 faults and replacing some 106 failed network flow meters.

We have worked on trials to explore identifying leakage by monitoring water temperature in the network, identifying leakage using fibre-optic cables running in water mains and using satellite imagery to locate leaks.