

**ANGLIAN WATER SERVICES LIMITED (THE “COMPANY”)**

**MINUTES OF THE “YOUR WATER YOUR SAY” SESSION HELD ON THURSDAY  
30 MARCH 2023 AT 2.30PM VIA ZOOM**

<b>Present:</b> Kevin Johnson	Independent Chair
Susannah Clements People and Change Director	Anglian Water
Kay Greenbank	Ofwat
Steve Hobbs	Consumer Council for Water (“CCW”)
Peter Simpson Chief Executive	Anglian Water
Pete Holland Director of Customer and Wholesale Services	Anglian Water
James Mackenzie	CCW
Robin Price Director of Quality and Environment	Anglian Water
Darren Rice Regulation Director	Anglian Water
Hannah Stanley-Jones Head of Future Resources Strategy	Anglian Water

A cross section of customers and other stakeholder representatives also attended the session online and at Company provided venues in Lincoln and Peterborough.

<b>1.</b>	<p><b><u>Independent Chair’s Introduction</u></b></p> <p>The Chair advised that the “Your Water Your Say” (“YWYS”) sessions had been constituted by Ofwat as part of the price review process for the period 2025 to 2030 (“PR24”). The Chair confirmed that he had been appointed by both Ofwat and CCW to act as the independent chair for a YWYS sessions across the sector. The Company, Ofwat and CCW were keen for customers and their stakeholder representatives to pose questions about the Company and the issues which were important to them. The Chair was keen for participants to offer constructive challenge to the Company during the session.</p> <p>It was important to note that the YWYS sessions were in addition to the customer engagement which was already undertaken by the Company.</p>
<b>2.</b>	<p><b><u>Company Introductory Presentation</u></b></p> <p>Mr Simpson, the Company’s Chief Executive Officer, commenced with a presentation which detailed:</p> <ul style="list-style-type: none"><li>• an explanation of some of the Company’s long-term challenges;</li><li>• how it was planning to meet those challenges;</li><li>• what Anglian’s customers were telling the company mattered to them;</li><li>• the range of support available for customers;</li><li>• the Company’s long-term environmental work; and</li><li>• a high-level overview of the shape of the emerging PR24 plan.</li></ul> <p>A copy of the presentation is available at <a href="http://Your Water Your Say (anglianwater.co.uk)">Your Water Your Say (anglianwater.co.uk)</a></p>
<b>3.</b>	<p><b><u>Questions and Answers</u></b></p> <p>The Chair advised that he would be seeking questions on the following four areas:</p> <ol style="list-style-type: none"><li>1. Safe, clean, reliable drinking water;</li><li>2. Happy customers and communities;</li><li>3. Creating a flourishing environment; and</li><li>4. Investment and sustainability.</li></ol>

	Participants could ask questions via the Q&A function in Zoom, by raising their hand or by submitting a question in advance to CCW.
<b>3a.</b>	<b><i>Safe, Clean, Reliable Drinking Water</i></b>
<b>27.27</b>	<p><i>Question 1</i></p> <p>Given that clean water is essential, and the health of the nation depends on it, why does it take so long to go through the process to establish new reservoirs? Also, will the two proposed reservoirs provide sufficient capacity for the future, or should more be in the planning stage?</p> <p><i>Answer</i></p> <p>Providing safe, clean, reliable water to customers was the Company’s most fundamental responsibility. Since privatisation in 1989, the Company had been able to accommodate both regional growth and the effects of a changing climate by reducing demand, in part, due to high levels of meter penetration and sector leading leakage performance. The work which had gone into developing the Company’s 25-year Water Resources Management Plan<sup>1</sup> (“<b>WRMP</b>”) (which linked into regional and national planning) indicated that the proposed reservoirs would provide the region with sufficient additional drinking water capacity, as well as providing the environmental benefits of reduced abstraction. Plans had been underway to develop the proposed reservoirs for a number years and the process was lengthy due to the scale of the proposed reservoirs.</p>
<b>31.19</b>	<p><i>Question 2</i></p> <p>What are the risks of moving water from the proposed new reservoirs further south? Is the Company going to be expanding the solar and floating wind power on top of reservoirs to every available site?</p> <p><i>Answer</i></p> <p>It was proposed that the new reservoirs would be filled with water which would otherwise be lost to the Wash. In addition to the proposed new reservoirs, the Company was in the process of constructing an interconnected system to enable the transfer of water around the region to provide increased flexibility. Having worked closely with other water companies, under the current proposals, all the water from the new reservoirs would be utilised within the region.</p> <p>Generally, the Company had moved away from considering installation of floating solar arrays on reservoirs for a number of reasons, including the maintenance costs of such arrays. Instead, the Company had installed solar arrays around a number of its reservoirs; for example at Grafham Water.</p>
<b>35.02</b>	<p><i>Question 3</i></p> <p>How does the Company prioritise dealing with all the challenges faced by the sector, including the risks associated with lead? Also, how, in its WRMP, has the Company managed uncertainties, particularly around future changes to gas networks?</p> <p><i>Answer</i></p> <p>The Company was proposing a targeted lead programme as part of PR24.</p>

<sup>1</sup> [Water resources management plan \(anglianwater.co.uk\)](http://anglianwater.co.uk)

	<p>The Company worked closely with Water Resources East to anticipate future water demand across a variety of sectors, including energy and agriculture. The Company's approach to water resources management planning was adaptive. Therefore, where there was demand uncertainty, work would be done to develop options, not in the core plan so that these were available, should the need arise.</p>
<b>40.07</b>	<p><i>Question 4</i></p> <p>Does the Company have the capability to monitor and remove polyfluoroalkyl substances ("PFAS") in groundwater?</p> <p><i>Answer</i></p> <p>The Company operated a significant PFA monitoring programme and, as such, had capability to remove PFAs. Whilst the Company was investing in treatment processes to remove such 'forever chemicals' from groundwater it was working closely with manufacturers for these chemicals to be removed at source.</p>
<b>3b.</b>	<b><i>Happy Customers and Communities</i></b>
<b>43.22</b>	<p><i>Question 5</i></p> <p>How far does the Company engage younger people and future generations in its business planning process and long-term thinking?</p> <p><i>Answer</i></p> <p>The Company operated an extensive region-wide school engagement programme. In addition, as part of its business planning process it engaged with different partners who interacted with younger people. This<sup>3</sup> engagement ensured that the opinions of a wide range of different people were taken into account as part of the business planning process.</p>
<b>45.22</b>	<p><i>Question 6</i></p> <p>What are the criteria for customers to receive support with paying their water bill? Do customers have to be in receipt of benefits or do individuals with caring responsibilities also qualify?</p> <p><i>Answer</i></p> <p>The Company offered a range of tariffs for customers both with affordability and vulnerability concerns. Customers did not necessarily need to be in the receipt of benefits to qualify for such support and information available to customers on the Company's different tariffs was available of the Department of Work and Pensions' website. In addition, the Company's Extra Care Assessments maximised unclaimed benefits available to customers<sup>4</sup>. These totalled in excess of £2m in the last financial year.</p>
<b>49.18</b>	<p><i>Question 7</i></p> <p>In support of Ofwat's Open Data initiative, how is the Company making the information that customers need easier to access and understand?</p> <p><i>Answer</i></p>

<sup>2</sup> A useful overview of PFA is provided by the Drinking Water Inspectorate: <https://www.dwi.gov.uk/pfas-and-forever-chemicals/#:~:text=What%20are%20PFAS%3F,their%20persistence%20in%20the%20environment.>

<sup>3</sup> Addendum: Our Education team saw 32000 people through our programme in 2022/23 through all our activities (Inc PR24 work): Source: Andy Brown

<sup>4</sup> [Extra Care Support \(anglianwater.co.uk\)](https://www.anglianwater.co.uk/extra-care-support)

	<p>The Company confirmed it was committed to providing customers with the information required in an understandable format. Examples of this were provided around the areas of Get River Positive, affordability and smart metering.</p>
<b>54.00</b>	<p><i>Question 8</i></p> <p>How does the Company see vulnerability in the region changing over the next five to fifteen years? What impact do these changes have on PR24 and how the Company views service? Would the Company be publishing a further Customer Vulnerability Strategy?</p> <p><i>Answer</i></p> <p>The Company worked with different expert partners to inform its strategy for supporting vulnerable customers. Its industry-leading Priority Services Register, which had achieved Inclusive Service Accreditation (BS ISO 22458), offered support to vulnerable customers. To track changes in vulnerability, the Company tracked data from the Office of National Statistics and sought partnerships with external organisations, where relevant. PR24 would include further strategies to support vulnerable customers.</p>
	<p><i>Question 9</i></p> <p>Have the discussions around the common social tariff across the water sector progressed? How would this link to the Government consultation around the social tariff for energy?</p> <p><i>Answer</i></p> <p>The Company was supportive of the introduction a sector-wide common social tariff. Although progress around its introduction had been slow. It was the Company's view that there should be a baseline of support for customers country-wide and not a ceiling. The Company was currently supporting a third of a million customers through its affordability schemes. It was also important to maintain as much flexibility as possible for customers.</p>
<b>3c.</b>	<b><i>Creating a Flourishing Environment</i></b>
<b>1.3.12</b>	<p><i>Question 10</i></p> <p>What are the Company's plans for safe sewage disposal?</p> <p><i>Answer</i></p> <p>In the region, the Company's water recycling centres were central to many of the rivers, particularly in the summer, significant amounts of the base load flow of some rivers were from water recycling centres. Therefore, without those water recycling centres many of those rivers would struggle. The Company continued to be focused on how its assets could improve the environment. As had been previously referenced, the Company was keen to utilise more nature-based solutions to promote the removal of nitrates. The Company was acutely aware of the importance of Combined Sewer Overflows to the public and such overflows only operated in extreme conditions (such as pump failures and or insufficient capacity to cope with extreme water volumes). In addition, the Company had invested to reduce phosphate levels by 70-75% since privatisation. The Company was investing significant amount of money to reduce CSOs. Many blockages were caused by inappropriate items being put down sewers, such as fats, oils and greases. The Company was working with food suppliers to reduce such products being put into the water recycling system. It was also campaigning for a ban on plastic containing wet wipes and the implementation of sustainable urban drainage on new housing developments to hold back rainwater.</p>
<b>1.11.13</b>	<i>Question 11</i>

	<p>How consistent are environmental targets around going beyond chemicals and concrete to enable the maximisation of nature-based solutions?</p> <p><i>Answer</i></p> <p>The Company had been a pioneer in the introduction of nature-based solutions, the introduction of which had sometimes been challenge for both the Company and its regulators. The opportunity to go further would come, in part, from legislative change such as the Environment Act. The Company was working closely with farmers and landowners to deliver appropriately scaled and funded nature-based solutions. The Company was intending to invest in at least 26 wetlands over PR24, as such partnering with stakeholders to develop nature-based solutions was very important.</p>
<p><b>1.19</b></p>	<p><i>Question 12</i></p> <p>Does the Company monitor for viruses and if they are found what is the Company’s course of action?</p> <p><i>Answer</i></p> <p>There was national, rather than Company-specific, monitoring programmes for viruses. If treated effluent was being discharged into sensitive areas, such as bathing water or shell-fisheries it was UV treated to disinfect it.</p>
<p><b>1.21.08</b></p>	<p><i>Question 13</i></p> <p>What is the Company’s plan for dealing with pollution in waterways, how quickly will it be resolved, how much will it cost and who will be paying for it? Why hasn’t more been invested in the wastewater systems to stop sewage polluting the environment?</p> <p><i>Answer</i></p> <p>Anglian Water recognise that CSOs are no longer the right solution when sewers become overloaded with rainwater. We’ve been dealing with CSOs for years, tackling those which pose an environmental risk and working through the rest. The engineering solutions are not straightforward, and the cost is significant – to the tune of £600 billion nationwide and ultimately a proportion of that would need to come from customer bills. Between 2020 and 2025, we’re reinvesting more than £200 million to reduce storm spills across the East of England and as part of our Get River Positive commitment we’ve promised that storm overflows will not be the reason for unhealthy watercourses in our region by 2030.</p> <p>The Company is not in the business of polluting. However, when a pollution did occur it was important that it be recognised, and the appropriate lessons learned. As part of PR24, investment would be made to increase the number of rivers in the region achieving good ecological status. The Company would be working closely with stakeholders to particularly focus on reducing the level of nitrates in rivers. Only about 1% of the reason the rivers in the Anglian Water region were not achieving good ecological status was due to combined sewer overflows (as opposed to 4% nationally using data supplied by the Environment Agency)<sup>5</sup>. Therefore, the Company had parallel workstreams to ensure that all its CSOs were operating properly and to reduce nitrate levels in rivers. The Company recognised the challenge to raise public understanding around the different challenges to achieve good ecological status for rivers. The work the Company was undertaking with</p>

<sup>5</sup> <https://www.gov.uk/government/publications/water-and-sewerage-companies-in-england-environmental-performance-report-2021/anglian-water-epa-data-report-2021>

	<p>Severn Trent to work with Get River Positive was an example of the work it was undertaking to improve river quality.<sup>6</sup></p>
<b>3d.</b>	<b><i>Investment and Sustainability</i></b>
<b>1.30.20</b>	<p><i>Question 14</i></p> <p>How can we ensure that many new houses being built in region -do not cause real water shortage over the next two decades (or beyond), particularly with reference to water course ecology? Could Government water-saving initiatives in new houses reduce water shortage?</p> <p><i>Answer</i></p> <p>As part of the Company's demand management plans it was aiming to continue to reduce abstraction from aquifers by the introduction of the interconnected system to support the transfer of water around the region, the further roll-out of smart meters and reducing leakage.</p> <p>The Company also had rolled out a project called <i>Enabling Water Smart Communities</i> to improve the water efficiency of new developments. The Government was setting targets in this area and the Company was working with stakeholders on projects to improve water efficiency within homes. The Company was working on more innovative solutions such as rain-water capture and the retrofitting of water saving solutions in existing housing stock.</p>
<b>1.35.20</b>	<p><i>Question 15</i></p> <p>What role do water meadows have to play in future water recycling plans, how are these being affected by housing development competition at these locations and what action is proposed?</p> <p><i>Answer</i></p> <p>Water meadows were another example of important nature-based solutions. The Company's WRMP detailed plans to reduce abstraction in sensitive locations to enable them to thrive.</p>
<b>1.37.11</b>	<p><i>Question 16</i></p> <p>What investment is the Company making in emerging to talent to build the capability you will need to digitalise?</p> <p><i>Answer</i></p> <p>Part of the Company's purpose was to bring "environmental and <i>social</i> prosperity to the region". Therefore, the Company had a keen focus on developing talent and providing great, fairly paid careers for people who lived the region. The Company's people strategy focused on: (i) partnerships with schools and colleges such as the College of West Anglia and University of the Lincoln; (ii) diversity and inclusion – bringing people into the organisation who represented the region and giving them useful skills. As part of this, the Company supported the development of individuals with the appropriate digital skills including via its digital apprenticeship programme.</p>

<sup>6</sup> [Get River Positive plan \(anglianwater.co.uk\)](http://anglianwater.co.uk)

<p><b>1.40.00</b></p>	<p><i>Question 17</i></p> <p>Why has there been a deterioration in river quality since 1980?</p> <p><i>Answer</i></p> <p>River water quality had not deteriorated since 1980. It was important to recognise the improvement in river quality which had taken place over the years, as evidenced by the reduction in phosphate levels. In addition, the Company was working in a more challenging environment with increased housing growth. The understanding of the science around the natural environment continued to evolve, which presented new challenges which the Company was responding to.</p> <p>Fundamentally our rivers are in much better condition than they were pre privatisation. Since privatisation, we have made some great progress:</p> <p>CSO performance: In the last 20 years, Anglian Water has surrendered the permits for 220 storm overflows across the region. This represents a reduction of 1 in 6 CSOs on the sewer network (around 16%).</p> <p>Storm spills: We have continued to reduce storm spills, reducing spills to an average of 26 in 2021 and our lowest-ever record in 2022 of 15 spills.</p> <p>Phosphorous: We've achieved 80% reduction in the amount of phosphorous discharged into waterways, and 98.8% of our Special Sites of Scientific Interest (SSSIs) are in a favourable condition, versus an average for England of just 38.6%.</p> <p>Bathing Water performance: Our bathing water performance has been strong for many years. Where bathing waters have been poorer quality, we've carried out detailed investigations to rule out our own assets and locate third party pollution sources, to help improve the local environmental quality and support the economies of the seaside towns that rely so heavily on them – working in close partnership with the local authorities in those areas. In 2022, 32 of our bathing waters were rated as 'Excellent' (achieving Blue Flag status), while 13 were rated as good, two as sufficient, and one rated as poor. Building on previous success at Southwold Water Recycling Centre, the classification of the beach at Southwold the Deans has increased from 'Good' to 'Excellent' classification, following our work using performic acid dosing as a low carbon, environmentally friendly and cost-effective alternative to ultraviolet treatment to deactivate bacteria.</p> <p>More information on the work Anglian Water are doing with farmers to ensure that we maintain healthy water quality as well as healthy crops and a healthy rural economy can be found on our website <a href="#">here</a><sup>7</sup>.</p>
<p><b>1.42.59</b></p>	<p><i>Question 18</i></p> <p>How much financial support does the Company propose to make available to customers struggling to pay their water bills over PR24 and how much of that support would be funded by shareholder profits?</p> <p><i>Answer</i></p>

<sup>7</sup> [Working with farmers \(anglianwater.co.uk\)](http://www.anglianwater.co.uk)

	<p>The structure and funding sources for the financial support which would be available to vulnerable customers over PR24 was still being developed as part of the business planning process, but the Company was currently supporting the 8.5% of customers who were defined as being in 'water poverty'. However, the Company was planning to continue to offer social tariffs across PR24, as well providing additional support to customers such as unlocking additional benefits available to them. The Company's ultimate investors continued to support the business in a range of ways including absorbing the current increased energy costs.</p>
<b>1.45.00</b>	<p><b><u>Independent Chair's Closure</u></b></p> <p>The Chair closed the session, thanking all delegates for their participation.</p> <p>The Chair reminded all of those on the call that all the questions submitted would be shared with Anglian Water and any questions not asked in the session would be answered within the meeting notes.</p> <p>The company will share a copy of the session notes and presentation on its web-site.</p> <p>The Chair informed those in the session that another 'Your water, your say session' will be staged following submission of the business plan in the autumn including how comments from this session have fed into the final business plan.</p>
<b>1.48.30</b>	<p><b>Session close</b></p>

#### **Outstanding questions not answered at the meeting:**

##### *Question 19*

Climate change is resulting in increased extreme weather events including drought, heatwaves, increased water supply interruptions. How will you *proactively* help your domestic customers and small high water dependent businesses to prepare to be more **resilient** to these changes so their negative impacts are lessened or prevented?

##### *Answer*

The company will continue to face extreme water resource challenges in its region as a result of climate change and increased population growth. The extreme temperatures in Summer 2022, saw the company put the largest-ever levels of water into supply to meet increased demand. Despite a drought being called across much of the region and the largest soil moisture deficits on record, the company did not need to implement a hosepipe ban and maintained a good level of supplies. This resilience was also reflected in the response to the 'freeze-thaw' incident in December 2022, which had a bigger impact than 'Beast from the East'. The company's operational preparedness meant that it was able to deal with burst mains across the region swiftly, with minimal disruption to customers. The company will continue to operate in this way to ensure we are prepared to increased extreme weathers.

In addition, the company is focusing on completing the roll out of its smart meter network which will help increase customers understanding of their water usage allowing them to make positive changes to reduce demand. The company will also proactively replace climate vulnerable mains replacing those that have been identified to be most at risk from extreme weather. This will help ensure services remain in place even in extreme weather.



In addition to smart meter roll out and replacement of climate vulnerable mains the company also encourages customers to modify their behaviours too. For example, during the drought, the company ran a seasonal demand campaign to support customers to save water, which reached 2.9million people on social channels alone. It also ran a 'shorter shower' campaign at the beginning of 2023, which supported customers in both reducing their energy bills as well as water consumption; 6,000 Anglian Water Bathroom kits have been sent out since January 2023. This tied in with its wider cost-of-living campaign, which launched with the aim to raise customer awareness of the company's cost-of-living affordability schemes.

#### *Question 20*

Increasing numbers of people are swimming in open water and participating in water-based recreation. Some companies are publishing where they are discharging sewage into rivers and seas but it is hard to interpret what this data means i.e. is the water safe to swim in? Other companies are training staff and communities about water safety. How have you helped promote water safety for your consumers and employees and how do you propose to do this in your 2025-30 business plan so we can safely swim and play in our rivers and seas?

#### *Answer*

We have 48 designated bathing waters in the east of England, stretching from Cleethorpes in the north, near the Humber estuary, to Southend Leigh Bell Wharf in the south near the Thames estuary.

Information about the region's bathing water quality can be found on our website, [here](#)<sup>8</sup>. To facilitate further transparency on water quality, the company has launched a detailed, interactive map on its website showing where its storm overflows are located and data about how often they spilled in 2022<sup>9</sup>: The company is working on having near real-time spill data available by the end of 2023. The aim is to provide accurate, verified information about genuine spills instead of just monitor activations (which don't always equate to an environmental spill). This will ensure people in the region have reliable information at hand when they're making decisions about what activity they want to undertake on their local river. We have provided this information on coastal bathing water as part of our BeachCare alert for a number of years<sup>10</sup>. This feeds into the Surfers Against Sewage live map.

#### *Question 21*

Can you provide examples of where you have *genuinely co-created solutions* with your local communities, customers and wider stakeholders to improve service design and support the environment?

This year, the company announced the development of two new reservoirs – one in Lincolnshire, and another in the Fens. The Fens are one of the UK areas most exposed to climate change impacts; on the frontline of rising sea levels it's at growing risk of severe tidal flooding. It is also the driest part of the country, with water shortages a real and increasing risk. And, with over half of the UK's most fertile land, agriculture here provides a fifth of the nation's crops and a third of its vegetables. Prolonged drought would pose enormous challenges to food production. The reservoir serves multiple purposes; alleviating flood risk, supporting agricultural irrigation to provide food resilience

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<sup>8</sup> [Bathing water performance and awards \(anglianwater.co.uk\)](#)

<sup>9</sup> [What we're doing to improve your local rivers & coastline \(anglianwater.co.uk\)](#)

<sup>10</sup> [RiverCare and BeachCare \(anglianwater.co.uk\)](#)

and providing social regeneration in a town that contains some of the worst patterns of rural poverty and deprivation.

The reservoir is one part of the company's wider Future Fens project, where Fen communities, water organisations, businesses and partners from local and national government are joining forces, taking a multi-sector approach to water supply and flood management, to create environmental and social prosperity in the region. [Read more in our Future Fens manifesto, here.](#)

#### *Question 22*

How does your public purpose influence your business plan proposals in terms of where you go above and beyond core water business services? How are you planning on supporting citizens rather than just customers during the next AMP?

The Company's Purpose is to bring environmental and social prosperity to the region it serves and this is at the very core of the business plan that it is are creating. The company is looking beyond traditional solutions to the challenges of population growth and a changing climate. In building new water resources or water treatment systems it is looking to nature and building partnerships to see how it can add greater value and deliver natural and social capital through its investments. This approach to making decisions based on a wider estimate of value (6 capitals framework) is already integrated into the investment processes. The company's community resilience programme (outside of the legal/regulatory requirements) is looking at the disruption caused by external shocks and stresses to communities, for example those in the Fens, which the work shows are more vulnerable to the effects of climate change. Beyond the regulatory elements of its business plan the company already deliver social value through an education programme, that supports over 30,000 people a year as part of a wider community investment programme.