

Resilience in the round

Providing resilient services has been a key feature of our 150-year history. Rarely do our customers experience breaks in their supply – we have the lowest rate of burst mains in the industry, supply interruptions are also very low and our water has consistently reached the highest quality standards.

This strong performance is the result of far-sighted planning and prioritisation of risk mitigations, targeted and appropriate investment and effective and organised business responses when issues occur.

Strong performance to date does not mean we are complacent. Being operationally resilient is only possible by having financial and corporate resilience too – ‘resilience in the round’. We need to be prepared for all threats to service delivery – which could be anything from drought and flooding to skills shortages and cyber-attacks – and understand how they link together. We do this by focusing on eight key areas to manage the array of risks we face, which range from our supply area through to our customers and the environment.

Having a joined-up approach to resilience is important as we’re not working to just mitigate a single shock or issue – we need to be resilient to the kind of future uncertainty which is increasingly important in the world we live in today.

61%

We have lowered our gearing to **c.61%** to achieve a better balance between debt and equity which makes us more financially resilient

28

There are 28 risks on our Company risk register



Investing for the future

Our customers expect a high quality, constant and reliable supply of water now and in the years to come. They expect us to be future focused to address climate change and environmental concerns and want us to reduce the risk of drought by investing in infrastructure to secure sustainable supplies.

That’s why we have invested £22 million – our largest ever single investment – to significantly redevelop our Woodmansterne Treatment Works to include a new pumping station and more energy-efficient equipment. The work has increased capacity at the site and will give us greater flexibility to move water around our network to protect against drought and the increasing demand from a growing population.

Our long-term aim is to ensure that every property can be supplied by more than one water treatment works by 2025. A key milestone on this journey was the completion in March 2019 of a new 7km pipeline between our Woodmansterne site and the town of Purley. A complex project, the new pipe means fewer customers will be impacted by issues like outages and bursts as we extend and reinforce our network.

