

This transcript is based on the publicly available recording of the Wealden District Council Scrutiny Committee Meeting held on 30 March 2026 and was auto-generated and lightly edited for clarity by The Friends of Bewl Water. The times referred to are those on the webcast, which has been published in full on our website and has not been edited in any other way.

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00:00:03,120 --> 00:00:07,680
Good morning and welcome to this meeting of the scrutiny and performance committee on Monday the

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00:00:07,680 --> 00:00:15,040
30th of March 2026. I am councillor Andrew Wilson, chair of the committee. Before we start, can I ask

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00:00:15,040 --> 00:00:20,320
you to check that your mobile phone is either switched off or on silent mode. This meeting is

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00:00:20,320 --> 00:00:26,320
being webcast live. So therefore, can all members make sure they turn on their microphones before

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00:00:26,320 --> 00:00:32,000
speaking. Members are also reminded of the need to face the microphones when speaking and speak

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00:00:32,000 --> 00:00:39,600
clearly. To my right is councillor Graeme Shaw, deputy chair. And to my left is Chris Bending,

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00:00:39,600 --> 00:00:45,600
the director of place, and to his left is Emma Bourne, senior democratic services officer,

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00:00:45,600 --> 00:00:50,560
who will be clerking the meeting today. Other members of the committee and officers sitting

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00:00:50,560 --> 00:00:55,920
around the table can be identified by the name
plates in front of them. I will now begin the

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00:00:55,920 --> 00:01:07,040
meeting with notifications of attendance.
Emma, do we have any notifications, please?

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00:01:07,040 --> 00:01:10,880
Yes. Thank you, chair. We've received
apologies today from Councillor Benton,

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00:01:10,880 --> 00:01:15,920
Councillor Clever, councillor Fairweather, and
Councillor Glenn Ives. Uh councillor Grok will

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00:01:15,920 --> 00:01:19,280
be substituting for councillor Cleaver, and
Councillor Everitt will be substituting for

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00:01:19,280 --> 00:01:24,880
Councillor Fairweather. Um we do actually
have Councillor Benton on remote joining

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00:01:24,880 --> 00:01:33,600
us to get apologies. Thank you very much.
Thanks. Um are there any declarations of

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00:01:33,600 --> 00:01:40,400
interest in respect of any items on the
agenda that people would like to raise?

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00:01:40,400 --> 00:01:48,320
Okay. So in that case I just for the completeness
and I suspect this is true of most of the people

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00:01:48,320 --> 00:01:53,360
um in the room and certainly I think everyone
around the table but I have a you know personal

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00:01:53,360 --> 00:02:01,120

interest in that I'm of course a customer of Southeast Water um by virtue of living in in Wen.

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00:02:01,120 --> 00:02:06,880

Um so that's all all I'll say. I mean if anyone wants to make the same declaration please please

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00:02:06,880 --> 00:02:14,320

do so. Uh and failing that um we'll move on to minutes of the next meeting uh dated the 12th of

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00:02:14,320 --> 00:02:21,120

January 2026. Can I have a proposer and a seconder to approve those minutes? Thank you Councillor

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00:02:21,120 --> 00:02:27,280

Coleman and seconded by Councillor Shaw. Thank you very much. And all those in favour. Thank

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00:02:27,280 --> 00:02:35,440

you. That's that's carried. Uh which moves us on to the substantive item on the agenda which is the

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00:02:35,440 --> 00:02:43,200

uh southeast water presentation. Councillor L. Yes. Sorry to interrupt you uh in midflow. Um

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00:02:43,200 --> 00:02:49,520

obviously we've got the agenda today, but I just want to recall two meetings ago.

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00:02:49,520 --> 00:02:56,320

We're discussing water today which is absolutely right and relevant but we I personally raised the

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00:02:56,320 --> 00:03:03,200

issue two meetings ago about southern water and about the stakeholder group which I know was noted

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00:03:03,200 --> 00:03:08,800

in the minutes and yet it's not on the agenda today which we're discussing water and it just

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00:03:08,800 --> 00:03:16,000

seems a little bit perplexed that that opportunity has been missed yet again um and I feel quite

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00:03:16,000 --> 00:03:21,920

disappointed. Okay. Well, thank you very much, Councillor L. Your disappointment is noted. Um,

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00:03:21,920 --> 00:03:26,880

what I would say is that this meeting, you know, the date is the 30th of March,

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00:03:26,880 --> 00:03:34,080

and it today coincides also with the start of um a pre-election period relating to the county

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00:03:34,080 --> 00:03:42,320

elections on East Sussex County Council. Um, the agenda was truncated for that reason. And actually

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00:03:42,320 --> 00:03:49,120

that gives me um cause to to just raise that issue more widely with the committee. We're going to be

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00:03:49,120 --> 00:03:54,160

discussing obviously Southeast Water today, but if I could ask you to just be mindful of the fact

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00:03:54,160 --> 00:04:03,200

that the pre-election period has started and so um please don't turn this into a party political

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00:04:03,200 --> 00:04:08,080

discussion or raise party political points during the discussion. And I think we all want to get to

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00:04:08,080 --> 00:04:15,200

the root of of you know the disruptions in in in Wen, but this is not the place today for any

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00:04:15,200 --> 00:04:21,200

party political points to be made um during the meeting. So if I could ask you all to respect that

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00:04:21,200 --> 00:04:25,680

um that would be great. And Councillor I'm just going back to you. Can I can I respectfully say

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00:04:25,680 --> 00:04:30,400

can we have that minuted that that that's the second time I've requested southern water and

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00:04:30,400 --> 00:04:37,680

the stakeholder forum to be discussed within this group. Yes. Emma, would you mind that? Thank

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00:04:37,680 --> 00:04:41,600

you very much. I can see Mr. Bending looking at me as if he wants to say something. Well,

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00:04:41,600 --> 00:04:46,000

yes. Only in so far as to say chair and and Councillor and through you, chair. Of course,

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00:04:46,000 --> 00:04:50,640

the committee makes a collective decision about its work program. Uh, and we asked you to have

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00:04:50,640 --> 00:04:56,320

another meeting. We had a meeting um between the

meeting two meetings ago and and today and the

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00:04:56,320 --> 00:05:03,040

committee did not ultimately conclude collectively to add the the s wider southern water issue to its

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00:05:03,040 --> 00:05:07,200

work program at that particular time. That is why it was not would not have been on today's agenda

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00:05:07,200 --> 00:05:13,040

regardless of the pre-election period because ultimately as a committee you all chose not to do

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00:05:13,040 --> 00:05:18,080

that at this time. That isn't to say that it can't happen. And as as Councillor Wilson's just said,

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00:05:18,080 --> 00:05:21,760

we're happy to have another meeting. In fact, we've suggested having another meeting after

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00:05:21,760 --> 00:05:27,360

today offline um to to replan the work program. Particularly noting we've had to move things

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00:05:27,360 --> 00:05:31,680

around because of this meeting having to be called by the pre-election period following the

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00:05:31,680 --> 00:05:37,280

reinstatements of the county council elections. Um, so let's let's have that meeting. Let's have

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00:05:37,280 --> 00:05:41,360

that discussion as a committee ultimately and make sure make a decision about what's on the

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00:05:41,360 --> 00:05:45,680

work program, but it is a collective decision rather than one or other member asking for

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00:05:45,680 --> 00:05:50,640

something to be added to the agenda. It doesn't doesn't work that way. Councillor Williams,

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00:05:50,640 --> 00:05:54,640

you had something you wanted. don't wish to delay the start of the meeting any further but um does

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00:05:54,640 --> 00:05:59,760

that mean that basically if somebody an individual puts their opinion forward has has less weight

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00:05:59,760 --> 00:06:06,720

than a committee decision to choose subjects in which case can we add this to um the closing

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00:06:06,720 --> 00:06:12,480

items of this meeting so that we can just have a pass a motion that we do want southern waters to

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00:06:12,480 --> 00:06:18,160

come here would that make more sense I I suppose I suppose we can do that if if that is if that

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00:06:18,160 --> 00:06:23,200

is the committee's wish um what I would say is we have had a couple of meetings offline to discuss

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00:06:23,200 --> 00:06:28,640

the work program and specifically focus items to go into the the agenda. But but if Sun is a view

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00:06:28,640 --> 00:06:33,040

of the meeting and if it's not, it's not. But if it is the view of the meeting, I think Democratic

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00:06:33,040 --> 00:06:37,040

makes sense to do that. I'm I'm all in favour
of democracy Councillor Owen Williams. Thank

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00:06:37,040 --> 00:06:44,320

you very much. Thank you. Um so that moves us on
to the Southeast Water item. Um we have a number

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00:06:44,320 --> 00:06:51,200

of representatives of Southeast Water here today,
including the CEO, um David Hinton. U Mr. Hinton,

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00:06:51,200 --> 00:06:55,360

if I could pass over to you. I understand you
have a a presentation that you wish to give to

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00:06:55,360 --> 00:07:00,480

the the committee along with your colleagues. Um
if I could ask that your colleagues and yourself

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00:07:00,480 --> 00:07:07,360

keep that presentation to a maximum of 15 minutes
so that we can uh use the rest of the meeting to

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00:07:07,360 --> 00:07:13,200

to answer questions and get the answers that
both us and the the public no doubt have about

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00:07:13,200 --> 00:07:20,000

um the recent outages and perhaps some more broad
questions around Southeast Waters operations and

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00:07:20,000 --> 00:07:25,680

and functioning. Um before you start, would I
could I ask you all to just briefly introduce

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00:07:25,680 --> 00:07:31,280

yourselves um so that the public and
the committee know um who you are and

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00:07:31,280 --> 00:07:41,360

uh why why you're here. Thank you. Yeah, sure.
So, I'll start. So, I'm Dave Hinton, the CEO.

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00:07:41,360 --> 00:07:47,040

Good morning. I'm Matthew Dean. I'm head of
central operations and control. Good morning. So,

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00:07:47,040 --> 00:07:51,920

I'm Rob Hall, head of water supply
for Sussex. Good morning. I'm James

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00:07:51,920 --> 00:07:56,960

Kirby. I'm stakeholder officer in communications.

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00:07:56,960 --> 00:08:01,280

Sorry, Mr. Kirby, you said stakeholder
officer and communications. Is that right?

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00:08:01,280 --> 00:08:07,600

That's correct. Yes. Right. Thank you. The
floor is yours. Thank you. Thank you, chair. So,

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00:08:07,600 --> 00:08:12,720

um if I could if I can just thank thanks for the
invitation. Um we do welcome this kind of this

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00:08:12,720 --> 00:08:18,560

this this interaction. Um really happy to take
questions. We have got 15 minutes. Um I know

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00:08:18,560 --> 00:08:23,360

and and the deck's quite short. It's a context
setting deck um with some information about the

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00:08:23,360 --> 00:08:28,320

event and also some some um some information about future plans. Uh before I start though,

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00:08:28,320 --> 00:08:32,640

I just I would like to do a quick apology because I know the disruption to customers has been,

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00:08:32,640 --> 00:08:38,080

you know, something that we we strive not to happen. Um and and unfortunately it has happened

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00:08:38,080 --> 00:08:43,200

again. This is the second time I've attended the scrutiny committee here and as much as I enjoy

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00:08:43,200 --> 00:08:47,920

the feedback, I wish that wasn't so. Um, and hopefully you'll hear as we go through it, um,

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00:08:47,920 --> 00:08:54,320

the plans that we've got to kind of remedy this situation. So, I'm going to start the short deck.

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00:08:54,320 --> 00:09:00,720

I don't know who's driving. Next slide, please. So, as I described, we're going to descri we're

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00:09:00,720 --> 00:09:04,560

going to talk through what happened in January and what we did in terms of communications,

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00:09:04,560 --> 00:09:09,200

alternative water, and I'll cover a bit about what we learned, the priority services register,

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00:09:09,200 --> 00:09:14,000

which is our response to vulnerable customers. Um, how we might improve that collaborative

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00:09:14,000 --> 00:09:19,120

working and contingency planning going forward,
more more on the lessons learned as a whole,

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00:09:19,120 --> 00:09:23,920

and then then a quite important point, which is
the investment going forward, which will make

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00:09:23,920 --> 00:09:32,640

uh these situations less likely. So next slide
please. So what happened? Um so we had what what

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00:09:32,640 --> 00:09:39,520

in the industry we describe as a freeze thaw.
So a freeze thought it sort of it's a little bit

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00:09:39,520 --> 00:09:45,600

self-explanatory. So we we had a we had a drop
in temperature. Um wasn't particularly drastic

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00:09:45,600 --> 00:09:50,800

but it was enough to freeze the ground and then
a rapid thaw. Uh and what that does effectively

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00:09:50,800 --> 00:09:56,480

is move the move the soil, move the earth. uh our
pipes live in the ground and that makes leaks more

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00:09:56,480 --> 00:10:03,040

likely. Uh so we saw quite a surge in leakage. It
was around about 50 million 60 million litres in

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00:10:03,040 --> 00:10:09,680

total to give you a sense of how big that is.
We on a daily basis produce around 550 million

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00:10:09,680 --> 00:10:15,760

Liters. So it's around 10% overnight increase.
There's always a mixture. Um we haven't done the

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00:10:15,760 --> 00:10:22,000

analysis for the event in January but typically
60% of that will be on air infrastructure and 40%

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00:10:22,000 --> 00:10:27,120

of that will be on customers infrastructure
like stop taps or farm supplies that kind of

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00:10:27,120 --> 00:10:32,560

thing. So so we had an increase in demand um
and then what happened and and this happens

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00:10:32,560 --> 00:10:40,320

with all events really um it's never one thing.
So we then had a storm um storm Gerretti um that

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00:10:40,320 --> 00:10:46,720

had two impacts on us. So the first one was uh
due to tree falls we lost power and particularly

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00:10:46,720 --> 00:10:52,800

to our key site Barkham which we'll talk about
later. Uh and we also had torrential rain which

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00:10:52,800 --> 00:10:56,960

meant that ooze the river ooze which is the
main source of bark which feed most of your

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00:10:56,960 --> 00:11:03,360

uh district um was water that was virtually
untreatable. It was like hot chocolate um

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00:11:03,360 --> 00:11:08,640

and we could treat a portion of it but not all of
it. So the output from our major works at Barkham

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00:11:08,640 --> 00:11:15,520

was reduced uh at the same time as our demand went up. So that meant we we weren't in balance

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00:11:15,520 --> 00:11:22,000

between supply and demand. Um and some areas of of your region were affected. So 25,000 properties,

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00:11:22,000 --> 00:11:32,000

4,000 in the Wilden District for between the 10th and the 14th of January. Next slide, please.

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00:11:32,000 --> 00:11:35,280

Yeah. So So Matt's going to cover this section on on Sussex.

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00:11:36,720 --> 00:11:43,120

Right. So this uh slide here just shows you uh a sort of geospatial plot of the areas that

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00:11:43,120 --> 00:11:51,440

were affected in the recent threes 4 incident in January. Um, apologies, but the colouring

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00:11:51,440 --> 00:11:58,800

isn't particularly clear, but what I'd focus in on here is just the specific area in Sussex,

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00:11:58,800 --> 00:12:06,400

which was quite a concentrated area um, in and around the peripheral of East Grinstead. So we

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00:12:06,400 --> 00:12:13,440

have a service reservoir which is a treated water storage tank um based at Witch Cross that supplies

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00:12:13,440 --> 00:12:20,400

16 and a half thousand properties uh predominantly

within the East Grinstead area but the 4,000

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00:12:20,400 --> 00:12:29,520

affected customers within your constituency area is also supplied from that reservoir. Um, we

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00:12:29,520 --> 00:12:36,320

suffered treatment issues at Barkham as David has suggested off the back of Storm Getti. We saw some

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00:12:36,320 --> 00:12:43,440

intense rainfall which caused elevated turbidity in the River Ouse which restricted our ability to

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00:12:43,440 --> 00:12:50,320

pump Barkham treatment works at full flow. Barkham treatment works is critical for the Sussex area.

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00:12:50,320 --> 00:12:55,840

it pumps in lots of different directions to dedicated service reservoirs that feed

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00:12:55,840 --> 00:13:03,040

geographical areas, towns and communities. Um, unfortunately, Witch Cross reservoir is at

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00:13:03,040 --> 00:13:08,800

the furthest end of our network from Barkham. So, when you have a scenario where you're unable to

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00:13:08,800 --> 00:13:14,960

meet demand either because demand has increased or your ability to pump water to meet that level has

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00:13:14,960 --> 00:13:21,600

reduced, you start to see impacts at the furthest regions first. and that is why the area of

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00:13:21,600 --> 00:13:27,520

East Grinstead and the surrounding areas fed from Witch Cross was so badly affected in comparison

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00:13:27,520 --> 00:13:35,200

to the rest of the Sussex region which actually didn't see any significant impact whatsoever.

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00:13:35,200 --> 00:13:39,920

Thank you. Next slide.

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00:13:39,920 --> 00:13:44,560

So in terms of communications and the response the the sort of facts and figures are on the slide. So

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00:13:44,560 --> 00:13:50,960

we we were updating continuing to MPs, councils and officials. Um local LRS were set up. We had

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00:13:50,960 --> 00:13:56,640

one running in Sussex and in one in Kent and also uh sub uh meetings of those meetings for example

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00:13:56,640 --> 00:14:01,600

on vulnerable customers. We issued a number of social media posts. We did a number of media

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00:14:01,600 --> 00:14:08,240

interviews uh and media statements around the area. Um, we're using a new ACRA alert system

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00:14:08,240 --> 00:14:12,800

that issued nearly half a million text messages or over half a million text messages to keep

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00:14:12,800 --> 00:14:19,760

customers updated. Um, yeah, and the Sussex resilience forum I have to say was excellent

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00:14:19,760 --> 00:14:27,280

um and and really support this during the during the event. Next slide please. So in terms of PSR

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00:14:27,280 --> 00:14:32,320

um we we have a register of of of PSR priority services register customers that

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00:14:32,320 --> 00:14:37,280

register with us that's ever growing. It's quite a comprehensive list, but it's never full. So,

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00:14:37,280 --> 00:14:41,840

um, we have a number of reactive PSRs that come on during the event. Uh, and again,

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00:14:41,840 --> 00:14:46,960

Sussex, the so Sussex resilience forum was very helpful in making sure because that is

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00:14:46,960 --> 00:14:51,200

the biggest risk in my mind. The thing that I worry about the most is a vulnerable customer

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00:14:51,200 --> 00:14:55,920

without water for an extended period. So, having um that ever growing list and

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00:14:55,920 --> 00:15:02,720

responding to that um is is is like top of our mind. Uh in in terms of compensation, we paid

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00:15:02,720 --> 00:15:08,320

um to customers accounts the guaranteed stands of service scheme which is you can see the the

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00:15:08,320 --> 00:15:12,880

numbers on the right hand side there and we wrote

to all eligible customers to let them know the

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00:15:12,880 --> 00:15:20,240

exact amount of that compensation that they should receive and they did receive. Next slide please.

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00:15:22,240 --> 00:15:41,840

Oh,

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00:15:41,840 --> 00:15:48,640

just in terms of now what what we learned from these events is um setting up things at

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00:15:48,640 --> 00:15:55,600

alternative water stations, bottle water stations is a dynamic thing, but it's massively improved

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00:15:55,600 --> 00:16:00,320

by pre-planning. And so we've done a quite a lot of pre-planning in terms of where we put bottled

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00:16:00,320 --> 00:16:09,600

water um where we put kind of um small if you like less resource hungry local bottled water storage

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00:16:09,600 --> 00:16:12,640

um where we can work with communities. So we're doing we've done some of that between the

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00:16:12,640 --> 00:16:17,360

events. We need to do more um that is a really important part of being able to respond. Now,

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00:16:17,360 --> 00:16:22,560

we were quite close. We were around the Christmas time or or and the shops were quite busy on on

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00:16:22,560 --> 00:16:26,960

the pre-ch Christmas event and and as an example,
you learn that where you think you might be able

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00:16:26,960 --> 00:16:30,880

to put a bottle water station pre Christmas is
different when it actually gets to Christmas. So,

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00:16:30,880 --> 00:16:35,440

you have to be quite seasonally responsive to
where you can use, you have to be local event

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00:16:35,440 --> 00:16:42,320

responsive. And so, this pre-planning is really,
really important. Um, yeah, next slide please.

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00:16:43,760 --> 00:16:49,920

So in terms of the event in the short-term
learnings um we did I think compared to some

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00:16:49,920 --> 00:16:55,120

of the earlier events you may remember um our
resource was considerably increased we we had

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00:16:55,120 --> 00:17:00,320

one tanker when I took over in 2020 now now we
have over 20 people working in alternative water

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00:17:00,320 --> 00:17:08,480

as a full-time job 12 tankers plus another 20
available so we we have run up to 32 33 34 tankers

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00:17:08,480 --> 00:17:14,720

um we've increased our ability to liaise with
local resilience forms and councils in peace time.

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00:17:14,720 --> 00:17:19,520

As I said before, that's really important.
We're now creating hyper local plans. So,

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00:17:19,520 --> 00:17:23,920

a bottle water station in the middle of East Grin, for example, is great, but there are villages

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00:17:23,920 --> 00:17:28,480

outside East Grinstead that have to travel a long way to get to that central store. Um,

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00:17:28,480 --> 00:17:35,040

and so we're creating hyper local pre-agreed bottle water uh bottled water stores. Um,

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00:17:35,040 --> 00:17:39,680

bearing in mind though that we got to try and manage the demand on that and not flood local

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00:17:39,680 --> 00:17:45,200

villages with traffic. So that we're using the local knowledge to do that. Um we're

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00:17:45,200 --> 00:17:50,480

we've increased the team size as I said um and the peak demand period we've entered into a number of

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00:17:50,480 --> 00:17:57,040

contracts on the response um including supporting um livestock. So there's a number of areas we've

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00:17:57,040 --> 00:18:02,400

we've increased significantly even before these events. Um uh but the medium-term piece is really

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00:18:02,400 --> 00:18:07,280

important. Um so if you if you take the event and break it down into a number of issues.

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00:18:07,280 --> 00:18:15,760

So the power the power piece was an issue. Um

we are we are on the end of the UK power network

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00:18:15,760 --> 00:18:20,640

um in the similar way that um some some of your constituents are on the end of our network and

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00:18:20,640 --> 00:18:26,000

we do suffer power blips more often and one of those power blips meant we lost Barkham for a

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00:18:26,000 --> 00:18:32,480

number of our critical hours during the event. So we have um already started to procure batteries

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00:18:32,480 --> 00:18:36,640

to run our treatment works. We've already done one that's live at one of our treatment works.

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00:18:36,640 --> 00:18:40,800

one of the first companies in the UK to have a battery powered treatment works.

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00:18:40,800 --> 00:18:46,640

It doesn't actually run it as such, but it it works in the same way as uh other domestic uh

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00:18:46,640 --> 00:18:51,440

appliances work where the mains feeds the battery and the battery continually runs the plant. So,

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00:18:51,440 --> 00:18:56,080

it means if power glitch glitches off, the battery continues to keep the plant running. Our kit is

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00:18:56,080 --> 00:19:01,440

getting increasing increasingly more sensitive to power glitches and so that that is a that is

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00:19:01,440 --> 00:19:06,240

going to be a big help at Barkham. Barkham does suffer from power glitches. The second piece is

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00:19:06,240 --> 00:19:15,360

is a bit more is a bit more in the longer term is that we are seeing the use um in particular suffer

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00:19:15,360 --> 00:19:21,280

from really really high turbidity when it rains and that is a combination of agricultural runoff,

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00:19:21,280 --> 00:19:28,880

road runoff uh and just the torrential rain itself. So we have a considerable amount of money

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00:19:28,880 --> 00:19:34,640

um that we put aside to look at the catchment management around the rivers. So helping farmers

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00:19:34,640 --> 00:19:40,640

reduce runoff um working with local councils and authorities on road runoff and generally looking

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00:19:40,640 --> 00:19:45,440

at and and septic tanks which is an issue in the area all those kind of there's a whole raft of

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00:19:45,440 --> 00:19:50,560

different potential uh impacts on that raw water and we're working really hard to try and reduce

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00:19:50,560 --> 00:19:56,160

those because if the river had not effectively gone semi untreatable this event wouldn't have

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00:19:56,160 --> 00:20:01,200

happened. So that's a really key thing. We were also doing some key works at Barkham which itself

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00:20:01,200 --> 00:20:06,240

to improve its resilience further. But Barkham actually as an asset didn't fail. Um it just

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00:20:06,240 --> 00:20:11,680

couldn't treat the water and the power uh was cut off. We're there's an important point to make as

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00:20:11,680 --> 00:20:18,000

well is um we're working with Southern and we talk about this in a minute around a new scheme because

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00:20:18,000 --> 00:20:24,960

um we've had a slight deficit caused by Southern Waters um refurbishment of its own works on the on

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00:20:24,960 --> 00:20:30,880

the north of Sussex um which is actually pretty so this is um those be familiar with it this is

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00:20:30,880 --> 00:20:35,840

weir wood reservoir so weirwood reservoir has got treatment works on it it's been out of operation

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00:20:35,840 --> 00:20:42,080

for a number of years that we are We are due to receive and we we used to receive a bulk supply

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00:20:42,080 --> 00:20:45,760

as we call it from that um from that works and we haven't done for a number of years. We're

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00:20:45,760 --> 00:20:49,280

developing alternative plans to make that now available to us because that would have made a

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00:20:49,280 --> 00:20:52,960

difference during these events. So there's a number of different streams. You got Forest

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00:20:52,960 --> 00:20:57,040

Railway that I've mentioned on them which is a very small treatment works. It's our only one

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00:20:57,040 --> 00:21:02,320

that's been out of operation. We have over 80 treatment works um that's caused us a long-term

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00:21:02,320 --> 00:21:07,680

issue. That is a 2 mega uh if you bear that in mind compared to what I said earlier. It's 550

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00:21:07,680 --> 00:21:12,480

megalitre's is our normal output. So it's a small works but we are doing we are concentrating on

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00:21:12,480 --> 00:21:21,120

every mega liter um because we have a tight supply demand balance. Next slide please.

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00:21:21,120 --> 00:21:27,920

How are we doing for time? You have two minutes. Two minutes. I'll do this just

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00:21:27,920 --> 00:21:32,400

just for the interest of time. I'll do this. So um this is what I was talking about earlier. So

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00:21:32,400 --> 00:21:38,080

um we was a reservoir very close to our own reservoir of Ardingly. Um and and weir wood

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00:21:38,080 --> 00:21:41,840

during the period of last summer was pretty much full up because it was not being utilized because

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00:21:41,840 --> 00:21:46,160

the treatment works um southern water stream works at weir wood wasn't being utilized. So

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00:21:46,160 --> 00:21:52,800

we started an emergency drought scheme when it didn't rain in the spring or the summer. So, um,

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00:21:52,800 --> 00:21:56,800

when we started to move that forward and Southern Water confirmed to us that that site would not

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00:21:56,800 --> 00:22:02,000

be running until at the early 2030, we realized we've got a long period of potential risk, but we

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00:22:02,000 --> 00:22:06,560

could mitigate it by effectively joining the Weir wood reservoir to the Ardingly reservoir, but we

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00:22:06,560 --> 00:22:12,560

propose an overground pipeline um in an emergency scenario because it rained. We're no longer in an

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00:22:12,560 --> 00:22:17,440

emergency scenario. So, we're now doing a planned approach to be able to move the water. It's not

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00:22:17,440 --> 00:22:24,720

very far. Um, it's 13.8 8 km. Um, so it's not a huge distance. It's going to be foot it's going to

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00:22:24,720 --> 00:22:29,760

it's it's very very difficult to navigate and we need to work very very closely with stakeholders

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00:22:29,760 --> 00:22:34,560

to absolutely reduce the impact on stakeholders

and we've been doing that. Um, but it seems to

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00:22:34,560 --> 00:22:41,200

us to be quite a quite a sort of innovative use of resource that's not being used. So that is that is

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00:22:41,200 --> 00:22:45,280

um very much a drought protection scheme. And then I think the final slide talks about that

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00:22:45,280 --> 00:22:53,360

a bit more. Um so where are we? So we've got a buried pipeline idea. The feasibility is

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00:22:53,360 --> 00:22:58,480

is going through. We have an initial route but we again talking to engineers and stakeholders about

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00:22:58,480 --> 00:23:04,080

that. So as I've already said the delivery aim is effectively to be able to move water from an area

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00:23:04,080 --> 00:23:09,280

that's effectively been zero abstracted to an area that's been highly abstracted. Um and the next

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00:23:09,280 --> 00:23:14,400

steps are pretty clear. So reviewing the scheme, we do have issues about moving non-invasive

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00:23:14,400 --> 00:23:20,240

species from one area to another which we can manage but that is um in the program too and we're

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00:23:20,240 --> 00:23:31,040

hoping to start uh the construction of that scheme in 2028. Next slide which I think is questions.

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00:23:31,040 --> 00:23:37,840

Thank you very much for that Mr. Hinton. Um
the way that I'm proposing to to run this

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00:23:37,840 --> 00:23:43,360

question session is I've circulated to the
committee a bunch of headings so that we can

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00:23:43,360 --> 00:23:49,600

we're not we're not jumping around within the
you know the issues. Um and the first heading

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00:23:49,600 --> 00:23:54,880

um is what happened, who was affected and how the
incident was handled. So if committee members for

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00:23:54,880 --> 00:24:00,240

the time being could confine their questions
to that. Um Councillor Coleman if you'd like to

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00:24:00,240 --> 00:24:05,200

start that would be great. Thank you very much,
chair, and thank you for the presentation. Um,

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00:24:05,200 --> 00:24:09,200

so I just wanted to share with you some of
the impact statements that I've had from

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00:24:09,200 --> 00:24:14,880

uh some of the residents in the area as a result
of the outages. Uh, the first one was a care home

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00:24:14,880 --> 00:24:21,280

in Nutley and it wasn't actually on your priority
service register. Um, and it has 33 residents in

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00:24:21,280 --> 00:24:27,920

it with additional adults with additional support
needs and they require additional personal care

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00:24:27,920 --> 00:24:33,040

with access to toilets. So obviously it was a major problem for them and they were on the

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00:24:33,040 --> 00:24:39,040

phone for you for more than 24 hours before they were able to get help. Um and I think their issue

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00:24:39,040 --> 00:24:43,760

was the lack of warning, the lack of um foresight that anything was going to happen. So they weren't

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00:24:43,760 --> 00:24:48,880

able to put any measures into place. Um they did, you know, manage the situation as best they could,

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00:24:48,880 --> 00:24:54,880

but they really felt that they had been let down by Southeast Water. The second is a school in

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00:24:54,880 --> 00:25:01,040

Dane Dane Hill and um because of the two days of school closure that was necessitated by the

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00:25:01,040 --> 00:25:07,200

outages because obviously there wasn't running water. It was unhygienic. Um they lost £60,000

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00:25:07,200 --> 00:25:12,080

in terms of pay for staff that were not able to go to school but they still had to pay for

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00:25:12,080 --> 00:25:17,760

uh pay and pension and national insurance. But the wider impact actually on the parents because

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00:25:17,760 --> 00:25:23,040

with the school closures it meant that the um
the parents had to stay at home and again it

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00:25:23,040 --> 00:25:27,760

was the issue of lack of communication. They
didn't know what the problem was, how long it

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00:25:27,760 --> 00:25:33,360

was going to last. Councillor Cole, yes, sorry to
interrupt you. Yeah. Um we do have a limited time

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00:25:33,360 --> 00:25:38,160

this morning and and I'm keen that we get as many
questions in as possible. Yes. So I I'm I'm Yes,

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00:25:38,160 --> 00:25:46,160

absolutely. And um then finally there's a hotel
um in the in in the ward that also face closures

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00:25:46,160 --> 00:25:54,080

and it uh cost them £100,000 worth in terms of
loss business directly but then indirect costs um

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00:25:54,080 --> 00:25:59,600

because of uh reputational damage. The people that
bookings that they had weddings and so on that

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00:25:59,600 --> 00:26:05,920

were cancelled they weren't able to compensate
for. um they repeatedly have written to you to ask

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00:26:05,920 --> 00:26:13,520

about compensation, but obviously a compensation
of between 300 and 1,200 is inadequate in the face

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00:26:13,520 --> 00:26:20,720

of £100,000 worth worth of uh lost business.
So, uh they have written they haven't received

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00:26:20,720 --> 00:26:25,920

a response from you. Um it might be that they um they've been trying to get insurance cover for it,

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00:26:25,920 --> 00:26:32,400

but then their insurance premiums also go up. So it seems to me um that all the onus

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00:26:32,400 --> 00:26:39,440

is being placed on residents and bill payers to pay for these outages which are more than just an

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00:26:39,440 --> 00:26:48,560

inconvenience but actually undermining our whole economy and welfare and public health. Thank you.

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00:26:48,560 --> 00:26:54,800

So sorry could you could you rephrase the question specifically? uh do you feel that the

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00:26:54,800 --> 00:27:00,640

compensation that you're offering is adequate and what can you do to improve communications

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00:27:00,640 --> 00:27:08,320

for these businesses? Um and how can you ensure that the burden of the risk of your failing plan

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00:27:08,320 --> 00:27:16,880

isn't placed on residents and the environment? Thank you. Sure. So again, no genuine heartfelt

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00:27:16,880 --> 00:27:22,560

apologies to those businesses. I know the impact of losing water domestically and commercially

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00:27:22,560 --> 00:27:26,640

uh can be a huge disruptor. Um and it's not

something we're striving to achieve. It's

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00:27:26,640 --> 00:27:32,160

something we literally think is our key activity
and we'll talk I'm sure later about some of

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00:27:32,160 --> 00:27:39,360

them what sort of driving factors behind that. Uh
again going back to the peace time communication.

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00:27:39,360 --> 00:27:46,000

So we are already during the event actually we
phoned um we phoned schools and care homes to try

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00:27:46,000 --> 00:27:51,520

and get a bespoke arrangement because typically
they're different. So some schools uh care homes

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00:27:51,520 --> 00:27:56,080

for example have water tanks. We can readily feed
those tanks with our own tank. If there's no tank,

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00:27:56,080 --> 00:28:00,800

we need to make different arrangements and we need
to understand and we are working to understand the

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00:28:00,800 --> 00:28:08,240

different requirements of schools, care homes,
nurseries um and and and wider and actually wider

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00:28:08,240 --> 00:28:13,120

businesses to try and understand how we can help
during that time because each each company each

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00:28:13,120 --> 00:28:20,000

company school's different. On the matter of
compensation, the GSS regulations were set up

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00:28:20,000 --> 00:28:25,280
uh in part to cover service, but the there
inevitably within that as well is an element

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00:28:25,280 --> 00:28:33,280
of compensation. Um the UK this this really is
a matter of policy. um the UK utilities industry

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00:28:33,280 --> 00:28:40,640
as a whole um is is set up in a way where it
doesn't provide effectively insurance for loss of

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00:28:40,640 --> 00:28:45,920
utilities via the compensatory route of the
utility companies. That could be done. It

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00:28:45,920 --> 00:28:51,680
would change the economics of the all the utility
companies. It's the same broadband, gas, electric,

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00:28:51,680 --> 00:28:57,520
it's it's exactly the same. And I understand
the frustration. Um and I I really really do

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00:28:57,520 --> 00:29:01,920
understand how how it impacts businesses and
customers. But if we want to change that issue,

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00:29:01,920 --> 00:29:08,160
I think we need to look at more widely about how
the compensation approach in a policy level needs

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00:29:08,160 --> 00:29:14,160
to be changed. Um so that so either customers are
insured or the insurance comes through effectively

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00:29:14,160 --> 00:29:18,800
through the utilities route. Uh and so look
unfortunately that is you know that is how we

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00:29:18,800 --> 00:29:29,040

are set up as a UK as as UK utilities. So and on the third point sorry was around customers. So we

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00:29:29,040 --> 00:29:35,200

focus on both business and domestic customers. Um now we it makes no difference to us what we

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00:29:35,200 --> 00:29:40,080

what our chief priority is during any event is vulnerable customers and they may they may be

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00:29:40,080 --> 00:29:44,080

in a business, they may be in a hospital, they may be in a nursery but equally they may be at

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00:29:44,080 --> 00:29:48,880

home and that is always our focus and we've got a dedicated customer care team which are the ones

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00:29:48,880 --> 00:29:52,800

that phone every school every morning during the event. Phone every nursery and apologies

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00:29:52,800 --> 00:29:57,360

to the nursery nut. wasn't on the register and I need to find out what that why that was because

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00:29:57,360 --> 00:30:04,880

um our our sort of MMO during an onunning incident is to phone all those um and arrange a bespoke

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00:30:04,880 --> 00:30:11,520

service that fits their actual individual needs like I said which which are often different.

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00:30:11,520 --> 00:30:16,880

Thank thank you very much Mr. Hinton. Um I I've got a question and then I'll I'll um pass over

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00:30:16,880 --> 00:30:24,960

to Councillor Shaw for another one. um from from your presentation um you said that the rainfall

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00:30:24,960 --> 00:30:34,080

um increased the turbidity in the water and it became uh untreatable. Um so could I ask

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00:30:34,080 --> 00:30:39,840

you in terms of Barkham treatment plant what is what is the turbidity level that

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00:30:39,840 --> 00:30:47,600

it is designed to treat and what level did it reach during the storm Gerretti rainfall?

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00:30:50,160 --> 00:30:54,320

I could have a go at it, but I don't think I will because I've got Rob who runs the treatment plant

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00:30:54,320 --> 00:31:03,280

with me. Um, he cover that. Hi. Yeah, good morning. Um, it's a really hard question

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00:31:03,280 --> 00:31:10,960

to answer about what it what it could treat. Um, we've treated turbidity up to 15200 on the river.

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00:31:10,960 --> 00:31:17,280

What we saw the increase was go well above 300. Um and we just could not treat it through the through

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00:31:17,280 --> 00:31:23,360

the site at all. Um we could partially treat it. So we uh it wasn't that Barkham was off or failed

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00:31:23,360 --> 00:31:31,520

in terms of assets. It was just it could not treat full flow through the works. So but my question

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00:31:31,520 --> 00:31:37,680

was around the design capacity of the plant. So you mentioned a number of numbers there. Yeah,

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00:31:37,680 --> 00:31:41,680

I think it's probably I'd be really honest. is something we'd have to take away and look

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00:31:41,680 --> 00:31:45,920

at getting that back to you about the design of Barkham and what that could treat. We don't

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00:31:45,920 --> 00:31:50,480

know not not off the top of my head know what it could treat in terms of turbidity. It's it's not

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00:31:50,480 --> 00:31:55,360

linear. So when we say we couldn't treat it. So if you end up with really really dirty water going

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00:31:55,360 --> 00:32:01,520

through the treatment part, what you end up doing effectively is washing it more frequently as you

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00:32:01,520 --> 00:32:08,720

run it. So um your output goes down as you need to wash it more often. Um and and also the type

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00:32:08,720 --> 00:32:14,240

of turbidity differs. So um sort of like a soil turbidity very very different to like an algae

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00:32:14,240 --> 00:32:18,960

turbidity. That's why Rob say it's hard to answer

because there's no one single type of turbidity

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00:32:18,960 --> 00:32:24,960

and and so it it just reduces the flow and normally we would have the area would have held

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00:32:24,960 --> 00:32:29,440

with Barcombe at that operation. It was the dual effect of the increased demand at the same time

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00:32:29,440 --> 00:32:37,040

as the as the red reduction in output. And we do have um we do have some investment um at the last

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00:32:37,040 --> 00:32:43,120

price review that was just finalized actually last week via the com the CMA um we have a considerable

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00:32:43,120 --> 00:32:47,200

amount investment to improve some of that works on the raw water but we've also as I said before

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00:32:47,200 --> 00:32:53,360

we have we have a considerable amount of resource um looking at the use itself um because the use

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00:32:53,360 --> 00:33:00,080

has never we've never seen it go that turbid so um so that's what we're really concentrating on

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00:33:00,080 --> 00:33:05,920

is is being able to manage the catchment of the use to be able to deal with that. Well,

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00:33:05,920 --> 00:33:09,680

we have seen it go that turbid but it's really really infrequent but it's definitely increasing

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00:33:09,680 --> 00:33:16,720
in its in its um and it's in its regularity that
the water becomes uh that turbid. Thank you. I

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00:33:16,720 --> 00:33:23,440
mean last point on this um before I hand over to
Councillor Shaw would given what you've just said

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00:33:23,440 --> 00:33:32,160
you know soil turbidity algae turbidity um you
know volumes you've never seen this level before

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00:33:32,160 --> 00:33:39,760
um how can we be reassured today and the public be
reassured today that Barkham water treatment plant

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00:33:39,760 --> 00:33:48,560
is specked properly to treat water in the future
because you said it wasn't a um an asset failure,

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00:33:48,560 --> 00:33:55,520
I think. Um but a treatment plant not being able
to do the one thing that it's designed to do, i.e.

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00:33:55,520 --> 00:34:02,400
treat water, that sounds to me like a failure.
Whether that's due to the design of the plant or

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00:34:02,400 --> 00:34:11,200
changes in the um the changes in in the weather or
or whatever, but surely there must be some degree

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00:34:11,200 --> 00:34:18,160
of risk assessment and infrastructural upgrade
that Southeast Water is doing on a regular basis

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00:34:18,160 --> 00:34:24,720
to all of its asset base. So that these things,
you know, it can't have been an unforeseen event.

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00:34:24,720 --> 00:34:28,720

I mean that it's always possible that it's going to rain and the water turbidity is going to go

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00:34:28,720 --> 00:34:35,360

up. I mean, all residents care about is that they turn the tap on and water comes out. And a lot of

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00:34:35,360 --> 00:34:40,880

people aren't that interested in why it's not coming out. But I'm interested in to understand

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00:34:40,880 --> 00:34:47,840

from a from an infrastructural point of view. It sounds to me like Barkham is not is not future

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00:34:47,840 --> 00:34:52,480

proofed if that's the right way of putting it. And and that exactly why we've got the investment

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00:34:52,480 --> 00:35:00,800

in place. So investment to so um multipronged so reduce the likelihood of the river going as

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00:35:00,800 --> 00:35:06,160

dark as it did increasing the ability of Barkham to treat that vine investment we got at Barkham

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00:35:06,160 --> 00:35:11,840

and reducing the demand on the system itself. So that it's a three-pronged approach to that risk.

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00:35:11,840 --> 00:35:17,280

Um that risk you know is increasing because climate change is meaning the demands are

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00:35:17,280 --> 00:35:23,360

going up higher and the rainfall is occurring more frequently. But those are the we always

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00:35:23,360 --> 00:35:28,160

have more than one approach to solving an issue. So we're attacking it all those three different

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00:35:28,160 --> 00:35:40,720

prongs. So raw water treatment demand. Thank you Councillor Shaw please. Uh yes good morning. Um I

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00:35:40,720 --> 00:35:47,040

wanted to explore a little bit about what you've called peacetime preparation and connect that to

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00:35:47,040 --> 00:35:54,080

an area that uh concerns me probably the most which is the impact of outages outages on the

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00:35:54,080 --> 00:36:03,680

health of individuals and the wider public health system. So when you when you begin to see that an

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00:36:03,680 --> 00:36:12,640

outage is going to affect a large number of people and if as it were becoming a wider emergency, did

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00:36:12,640 --> 00:36:19,040

you or or are you planning to discuss that with public health professionals for example in the

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00:36:19,040 --> 00:36:26,160

county councils? Um looking at you know how how the outage is going to impact on public health.

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00:36:26,160 --> 00:36:32,800

I mean did you or is this now what you're planning to do engage with discussions with the NHS GP

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00:36:32,800 --> 00:36:38,560

practices hospitals and the wider care sector
that we've heard about about again about the

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00:36:38,560 --> 00:36:46,560

impact and the del on the delivery of local health
services and how you could put in place specific

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00:36:46,560 --> 00:36:55,120

not just communication strategies but specific um
kinds of support to organizations like that. Um,

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00:36:55,120 --> 00:37:05,520

and if I may just sort of finish on on this. Um,
you've mentioned kind of vulnerable customers. Um,

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00:37:05,520 --> 00:37:11,120

I'm obviously not going to go into detail, but
I for one absolutely need a flushable toilet

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00:37:11,120 --> 00:37:17,120

as part of the management of a long-term
medical condition. And I'm sure like me,

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00:37:17,120 --> 00:37:22,160

lots of people in this position register as a
vulnerable person. as you've as you've mentioned

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00:37:22,160 --> 00:37:29,600

that one of your goals is to uh increase that.
But we heard so many reports of people on on that

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00:37:29,600 --> 00:37:38,320

register who who didn't receive any support.
You've said you recognize this issue. How are

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00:37:38,320 --> 00:37:43,360

you going about un better understanding the

needs or the different needs of those sorts

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00:37:43,360 --> 00:37:49,520

of people because they're not all the same. I can probably cope if it happened in my area,

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00:37:49,520 --> 00:37:57,680

but I know there are other people that couldn't and couldn't access bottled water. And and how

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00:37:57,680 --> 00:38:04,640

are you going to improve your strategies to make that happen? Um because I I for me that whole

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00:38:04,640 --> 00:38:13,280

health picture is really concerning and it's it's often not really it often gets lost in the sort of

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00:38:13,280 --> 00:38:21,840

um demands for compensation and so on. Thank you. Yeah, thank you. And as I said before, you know,

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00:38:21,840 --> 00:38:28,720

for me it it's my is my biggest single priority. Um in terms of the public health professional

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00:38:28,720 --> 00:38:34,880

liaison um the route for that really is via the local resilience forums which have representative

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00:38:34,880 --> 00:38:39,920

of the NHS and other public health bodies as well as the emergency services local councils

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00:38:39,920 --> 00:38:47,040

etc on there and that group which we're a member of um is is effectively risk assessing the impact

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00:38:47,040 --> 00:38:52,800

on the community as a whole and we and then we are doing our role within that as advised by those

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00:38:52,800 --> 00:38:58,640

um resilience forums. So it's largely those um it's largely through that route that we

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00:38:58,640 --> 00:39:04,880

leers with that particular population and I think it's that's an effective way to do it. If you've

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00:39:04,880 --> 00:39:09,520

got any examples where you don't think that fed through I'll be really really willing to hear them

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00:39:09,520 --> 00:39:13,600

and really happy to hear them. Um same applies to the vulnerable customers. We did something

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00:39:13,600 --> 00:39:20,960

like 16,000 deliveries to priority services registers. Uh and we have had um examples of where

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00:39:20,960 --> 00:39:26,080

that hasn't failed and where that hasn't worked. And we and it' be really good to know individual

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00:39:26,080 --> 00:39:31,760

case studies because that helps us understand the process because now we had the resource to deliver

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00:39:31,760 --> 00:39:37,840

it. We did deliver thousands tens of thousands. Um and so if there if you can point to individual

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00:39:37,840 --> 00:39:42,240

cases we can certainly investigate and see if that produces any learnings for the future. But like I

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00:39:42,240 --> 00:39:47,680

said before, that really is my my risk. And we start, you know, we we've started to approach

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00:39:47,680 --> 00:39:52,560

these things differently. And as you move through events, you do realize that the public health risk

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00:39:52,560 --> 00:39:57,680

changes. So the ability to flush the toilet after a day or two becomes one of the bigger

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00:39:57,680 --> 00:40:04,080

public health risks. Um and then we then we look to provide things what we call grab bags, which

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00:40:04,080 --> 00:40:10,160

are bigger volume that not for drinking but for flushing. Um and again anything that we can hear

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00:40:10,160 --> 00:40:14,800

in terms of this would have been really helpful. It had been offered um we obviously do lots of

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00:40:14,800 --> 00:40:20,640

customer surveys um uh and gather information back and talk to stakeholders but anything like

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00:40:20,640 --> 00:40:24,400

that we'd be really appreciative of. We had the resource to do it. We certainly had the resource

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00:40:24,400 --> 00:40:34,960

to do it. Um and we would and we did a huge amount like but like I say we're always keen to learn.

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00:40:34,960 --> 00:40:36,640

Councillor Cox please.

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00:40:38,880 --> 00:40:47,120

put my hand up. You you are on the list. Yes, you're you're next. Hi there. Um first of all,

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00:40:47,120 --> 00:40:54,320

thank you for the presentation. Also, um thank you for the apology. Um, I'd like to just ascertain

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00:40:54,320 --> 00:40:59,040

your kind of planning because your presentation uh says that you've got some form planning to

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00:40:59,040 --> 00:41:05,440

how to deal with this, but my confidence in in your planning isn't actually that strong because

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00:41:05,440 --> 00:41:12,080

it's it wasn't like this was in the middle of the summer, a random shadow of of rain. It's in the

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00:41:12,080 --> 00:41:17,920

wet season. Storm the storm was pre attained to say it's going to come to this country.

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00:41:17,920 --> 00:41:22,240

people knew it was going to happen and yet you still seemed like you were not prepared. Um so

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00:41:22,240 --> 00:41:28,640

can I ask why were you underprepared for what is a wet season and also a storm that was quite

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00:41:28,640 --> 00:41:33,280

um heavily forecast before it got to us? Um because I think that's quite important

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00:41:33,280 --> 00:41:37,440

into whether we have confidence with you moving forwards with your new plans on how to deal with

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00:41:37,440 --> 00:41:44,320

this because rain we there's a lot of evidence that rain is becoming more um contained at one

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00:41:44,320 --> 00:41:48,720

period. So it's we have less rainy days, but when we have our rainy days, they're bigger.

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00:41:48,720 --> 00:41:54,000

And for you to say that both Barkham doesn't work when it has a really heavy rainy day. Well,

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00:41:54,000 --> 00:41:58,320

this is the reality we're going into now. Um, and it doesn't seem like we're getting kind of the

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00:41:58,320 --> 00:42:02,960

answers from you that would give me confidence to think that going down the road we're going

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00:42:02,960 --> 00:42:08,080

to be in a in a better situation than we are today. And also, why why was there failures with

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00:42:08,080 --> 00:42:13,120

the water and communications? because you said that you understand in your lessons learning,

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00:42:13,120 --> 00:42:18,320

but we haven't actually heard what those lessons are and why the failure was there. Yes,

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00:42:18,320 --> 00:42:22,240

you had the uh text messages, but from what I gather, the text messages were saying the same

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00:42:22,240 --> 00:42:25,840

thing over and over and over again. So, you can have multi-millions of those text messages if it's

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00:42:25,840 --> 00:42:29,680

just saying the same thing. It doesn't change the fact that the information wasn't helpful

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00:42:29,680 --> 00:42:35,760

to customers. So, um can we have a lot more detail on what went wrong, why it went wrong,

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00:42:35,760 --> 00:42:40,320

and what are the lessons like? Because everyone always says after something happens, lessons are

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00:42:40,320 --> 00:42:43,200

going to be learned. Lessons are going to be learned, but we never actually see the lessons

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00:42:43,200 --> 00:42:47,120

learned. And how are you going to deal with the fact that we're going to see more rain in a short

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00:42:47,120 --> 00:42:54,000

period because this is the reality we're in now. Yeah, thank you for that. It's it's it's a really

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00:42:54,000 --> 00:42:59,120

really important point. So what one things to say is that we work in an infrastructure business.

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00:42:59,120 --> 00:43:06,960

So we have 88 treatment works. Um our budgets around 160 million a year to to do improvements.

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00:43:06,960 --> 00:43:13,040

Um and if you take our infrastructure network, so the pipes we replace about 1% of that per annum.

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00:43:13,040 --> 00:43:18,400

So to make a huge shift in service overnight across an infrastructure base that size isn't

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00:43:18,400 --> 00:43:24,160

easy. So we've we've been working really really hard to effectively improve the resilience of

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00:43:24,160 --> 00:43:30,560

the assets we've got improve our response which is hence extra tankers extra resource in alternative

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00:43:30,560 --> 00:43:37,280

water but also making the case for further resilience expenditure going forward and that has

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00:43:37,280 --> 00:43:42,240

been for the customers that's the bit the where the confidence should lie. We will we are going

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00:43:42,240 --> 00:43:48,800

to work as hard as we possibly can in the interim period transform the way we do things but the

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00:43:48,800 --> 00:43:54,320

infrastructure coming in later on is is the really big impact and it's climate change has accelerated

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00:43:54,320 --> 00:43:58,720

now climate change has accelerated beyond what anyone anticipated it would. Demand that we're

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00:43:58,720 --> 00:44:03,520

seeing has gone up more than than it would. We're seeing despite the fact we're supposed to get less

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00:44:03,520 --> 00:44:09,200

freeze thaws, we're still getting more freeze thaws. So the climate change impact is real.

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00:44:09,200 --> 00:44:14,720

Um and we have so as an example of the two numbers these are approximate we are still working through

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00:44:14,720 --> 00:44:20,240

it because we only received them last week but we had around 40 million for resilience in the

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00:44:20,240 --> 00:44:27,680

period 2015 to 2020 and we got around 350 million for resilience for this period. the regulators and

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00:44:27,680 --> 00:44:32,720

policy setters have recognized the need for that massive upstep in resilience to climate change and

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00:44:32,720 --> 00:44:39,280

we're really keen to get that stuff in the ground in the treatment works and going forward. Um,

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00:44:39,280 --> 00:44:47,120

in terms of lessons learned, so um now we we've learned a lot on the we've used that information

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00:44:47,120 --> 00:44:52,720

to build that plan for that 30 million. So when we requested that of offport and others a lot of

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00:44:52,720 --> 00:44:56,960

the experience that fed into that was the the experience we've had of previous events. What

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00:44:56,960 --> 00:45:01,760

we could do quickly is a number of in if you like

interventions around the infrastructure we have

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00:45:01,760 --> 00:45:07,040

got and we've made some significant changes at Barkham which has improved it. We've also put in

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00:45:07,040 --> 00:45:11,760

a number of other around the patch another um if you like smaller infrastructure investments while

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00:45:11,760 --> 00:45:16,720

we're building the bigger ones but it's really been on response now 20 tankers from none got

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00:45:16,720 --> 00:45:23,280

I've got 22 tanker drivers working for me I didn't have any in 2021 um and an alternative water team

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00:45:23,280 --> 00:45:28,080

and a priority services team and contracts on every piece to to provide that resource I know

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00:45:28,080 --> 00:45:32,080

it's frustrating because customers steal the impact I really do that but they were genuinely

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00:45:32,080 --> 00:45:37,680

from the previous event they did not exist on the previous events. Um, when the impact is the

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00:45:37,680 --> 00:45:43,760

same to customers, I can absolutely understand why they say you haven't learned any lessons. It looks

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00:45:43,760 --> 00:45:47,680

exactly the same. It felt exactly the same, but the impact of some of these events would have been

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00:45:47,680 --> 00:45:52,400

far bigger hadn't been for what the investment we've made in this 5 years. And we're really keen

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00:45:52,400 --> 00:45:57,600

as a team to to get that investment in the ground going forward and improve our resilience and and

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00:45:57,600 --> 00:46:01,920

try and get ahead of climate change. We're chasing it as we're chasing it as a country.

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00:46:01,920 --> 00:46:06,240

um and we are chasing it as a company and we are behind that curve. We need to get the investment

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00:46:06,240 --> 00:46:13,600

in place to make sure we can deal with that going forward. And just on that, um obviously you you've

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00:46:13,600 --> 00:46:17,920

got a good plan going ahead in your eyes. How are you going to communicate that properly with the

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00:46:17,920 --> 00:46:23,600

the customers who have probably lost all faith in in your company? Because whether it's you or

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00:46:23,600 --> 00:46:29,520

Subwater, everyone's saying that both both water companies are failing. um and how you going to

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00:46:29,520 --> 00:46:34,240

communicate your plan and make sure that you have proper community buy in because um communication

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00:46:34,240 --> 00:46:40,000

from you doesn't seem to be the strongest point at the moment. I'm sorry to communications officer.

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00:46:40,000 --> 00:46:47,680

Um so on the communications so two things. So um I'll start with the first point. Um our plan is as

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00:46:47,680 --> 00:46:51,280

we go through this investment, this infrastructure investment, we'll be communicating at a local

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00:46:51,280 --> 00:46:55,840

level. So we won't be saying Southeast Water has done this thing over here in Basingstoke to you.

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00:46:55,840 --> 00:47:01,520

So we were talking about the investment we're doing in your area local area because we have got

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00:47:01,520 --> 00:47:08,320

um significant activity going on in every area including including your constituency. Um so

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00:47:08,320 --> 00:47:14,480

um communications during this event um was was slightly tricky because it relied on our ability

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00:47:14,480 --> 00:47:18,640

to predict when the River Ouse was going to be more treatable and we can get the treatment going

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00:47:18,640 --> 00:47:23,840

on. It's a really frustrating position and I hate it because we can't most of the most of the the

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00:47:23,840 --> 00:47:28,880

interruptions we have are linked to things like a burst main when we do two and a half thousand

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00:47:28,880 --> 00:47:35,200

repairs a year and we will know within the within
the within an hour when to predict the restoration

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00:47:35,200 --> 00:47:42,800

of that water in in instances like this when
you've got power and raw water issues. And the

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00:47:42,800 --> 00:47:47,920

other factor is how quickly can both us and
customers effectively reduce the demand by by

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00:47:47,920 --> 00:47:52,880

effectively fixing the broken assets like pipes
and things. There are a lot of things that we

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00:47:52,880 --> 00:47:59,360

can't that we have to try and predict when we're
providing the resolution time. Um and we we're

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00:47:59,360 --> 00:48:02,960

keen to try and do that prediction because we're
best placed to do that prediction rather than

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00:48:02,960 --> 00:48:09,120

anyone but we might get it wrong when we do that.
Um so we need to think about how we communicate

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00:48:09,120 --> 00:48:12,800

that as a prediction as opposed to this is a
resolution time. I think where we might have gone

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00:48:12,800 --> 00:48:17,520

wrong is being a bit too firm on it's a resolution
time. In previous events, we've literally said

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00:48:17,520 --> 00:48:22,080

we're working as hard as we can and it'll be on
when it's on. I don't like that because we're

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00:48:22,080 --> 00:48:26,320

the best place to give a prediction. So, we will continue to try and give a prediction. Um because

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00:48:26,320 --> 00:48:31,280

I think it's customers it's better information than no information. Um but I I take what you

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00:48:31,280 --> 00:48:35,680

say on board and we and and we have generally got some lessons from the event that we had not in

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00:48:35,680 --> 00:48:41,680

your area but in in in November, December and in January that communication was almost the biggest

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00:48:41,680 --> 00:48:49,760

learning um that we had from it. So we're going to really concentrate on on that going forward.

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00:48:49,760 --> 00:48:56,400

Thank you, Councillor Williams, please. Thank you. Um good morning. Thank you very much for coming.

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00:48:56,400 --> 00:49:02,640

Um, you will remember that in December 2024, in the week leading up to Christmas,

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00:49:02,640 --> 00:49:08,960

Crowborough had no water for the entire week, which is the worst water outage I've seen in 35

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00:49:08,960 --> 00:49:14,560

years. And that not a single bottle of water was delivered to Crowborough. It was in you

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00:49:14,560 --> 00:49:18,960

were in denial. It wasn't on your website. Um,

so I'm not that's not that's not a question,

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00:49:18,960 --> 00:49:24,000

but that's just a background to this. So obviously you won't have forgotten that and there will be a

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00:49:24,000 --> 00:49:32,640

lot of ground to make up. um during the pandemic in Crowborough, we set up a group which um took um

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00:49:32,640 --> 00:49:37,120

prescriptions to people who weren't able to leave the houses and we kept that going for a couple of

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00:49:37,120 --> 00:49:43,120

years until there was no further need for it. Now I don't see that you or anybody has the budget to

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00:49:43,120 --> 00:49:49,280

provide the resources that will look after people. It's not just delivering a bottle of water and

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00:49:49,280 --> 00:49:55,440

putting on the front doorstep. There is more than that. So, is it not possible that you can set up

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00:49:55,440 --> 00:50:02,160

a network in peace time, as you put it, um where volunteers are ready and they'd be willing to do

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00:50:02,160 --> 00:50:06,800

it? We've got a lot of good people in Crowborough a and elsewhere who would be prepared to do this.

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00:50:06,800 --> 00:50:13,760

Um who would step up and help their community with your cooperation. Um you know, in any sort

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00:50:13,760 --> 00:50:19,280

of situation, wars, whatever, it does depend on ordinary people getting involved and doing things.

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00:50:19,280 --> 00:50:23,840

and it doesn't cost money and it means that things happen quickly and they're dealt with by people

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00:50:23,840 --> 00:50:27,680

who know the area. Obviously, there's there's there's various hoops to be jumped through,

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00:50:27,680 --> 00:50:34,800

but it seems to me that there's a massive resource out there that you and the other members of the of

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00:50:34,800 --> 00:50:40,160

those who are supposed to look after us in times like this could look at in the cold light of day,

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00:50:40,160 --> 00:50:46,560

not wait for things to go wrong. Um, the other thing I was going to say was because the what

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00:50:46,560 --> 00:50:50,640

happened and what will happen all seem a bit blurred is looking and this will sound rude.

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00:50:50,640 --> 00:50:56,880

It's not intended to looking at your long list of things going forward. I'm trying to think what you

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00:50:56,880 --> 00:51:04,320

haven't actually prepared for because it looks to me as though every single aspect needs work. And

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00:51:04,320 --> 00:51:08,640

none of this is a surprise. None of this, oh, we never thought that would happen. Everything

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00:51:08,640 --> 00:51:14,240

on that list looks like something you would risk assess and think, well, you know, that's probably

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00:51:14,240 --> 00:51:18,160

going to happen. We should be ready for that. I appreciate a huge amount of the reason we're

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00:51:18,160 --> 00:51:23,360

sitting here is lack of financial resources. And whose fault that is is a matter for another

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00:51:23,360 --> 00:51:33,520

discussion, but it's really really it's really sad just how many things are on that list. To be fair,

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00:51:33,520 --> 00:51:40,320

I completely understand what you say. I'm going to take the second point first. So um it was on our

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00:51:40,320 --> 00:51:45,520

risk register. So what we what we've effectively seen and this is how I like to categorize it

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00:51:45,520 --> 00:51:52,640

um is we have a 25 year investment plan and we had a 25 year investment plan in 2019 2020 and we have

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00:51:52,640 --> 00:51:58,960

created a new one for 202425 and what the climate change impacts has done and the demand change has

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00:51:58,960 --> 00:52:05,280

done is effectively mean we need to accelerate that plan. So it was there. So as an example,

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00:52:05,280 --> 00:52:11,280

um not massively affecting your area, but we had a reservoir in Kent Canterbury Way called Broad that

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00:52:11,280 --> 00:52:15,440

was that was a little bit out in the distance.

Um Arlington, which does affect your area,

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00:52:15,440 --> 00:52:19,280

was quite a long way out in the distance with

the current with the forecast at the time

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00:52:19,280 --> 00:52:25,200

time in terms of 2019 2020 forecast. Um and

what the climate change has then said is no,

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00:52:25,200 --> 00:52:30,240

you need to do that quicker now. So effectively

our risk red forward. So, this wasn't like us

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00:52:30,240 --> 00:52:35,280

thinking we got loads of things we didn't think

we needed to do. It's us thinking there's loads

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00:52:35,280 --> 00:52:41,760

of things we didn't need to do yet. Um, and so

we've massively uh increased the speed of the So,

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00:52:41,760 --> 00:52:45,600

Arlington, we weren't we weren't due to

start to stomach 2040 and we've already

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00:52:45,600 --> 00:52:52,560

started it now. That's a great example of an

accelerated by climate change impact scheme. So,

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00:52:52,560 --> 00:52:56,000

so that's how I would characterize that, but I

completely understand why you look at the list

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00:52:56,000 --> 00:53:02,880

and go cry. I mean that's one of the reasons our
our effectively our our budget a total allowed

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00:53:02,880 --> 00:53:09,840

funded sum has gone from 1.1 billion to 2 billion
overnight pretty much. Um it's an acceleration of

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00:53:09,840 --> 00:53:16,240

that investment. On your first point sorry can
I quickly add something to that answer? Um okay

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00:53:16,240 --> 00:53:20,960

that's interesting. Climate change obviously has
affected everything and I can see how that would

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00:53:20,960 --> 00:53:25,760

affect you in a similar way to development
that may not have been predicted. Is that

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00:53:25,760 --> 00:53:32,560

a factor? Similarly, now I'm sure I'm going
to get questions on housing growth later. Um,

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00:53:32,560 --> 00:53:39,920

but how we plan for demand really simply and it's
not a plan that Southeast Water invented. This is

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00:53:39,920 --> 00:53:45,200

a plan that every company in the country uses a
statutory plan that's signed off ultimately by the

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00:53:45,200 --> 00:53:50,960

Secretary of State that says a big process behind
it. The process is effectively forecast demand,

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00:53:50,960 --> 00:53:57,120

forecast supply, make sure there's a gap in in

essence. Um I am dumbing it down slightly. Um

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00:53:57,120 --> 00:54:03,040

but when you forecast demand in that goes local local housing growth plans um as well as climate

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00:54:03,040 --> 00:54:07,280

change forecasts and how they might impact both the available water in other words things might

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00:54:07,280 --> 00:54:14,160

dry out more um um and the demand on it. So people might use more also factors in whether future

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00:54:14,160 --> 00:54:18,960

housing is more water efficient than current stock all that kind of stuff. It's quite sophisticated,

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00:54:18,960 --> 00:54:23,200

but clearly in the southeast of England where we've had continued housing growth forever,

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00:54:23,200 --> 00:54:27,600

um unlike other parts of the country, we're operating to sorry, we're operating to a much

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00:54:27,600 --> 00:54:32,960

tighter margin between supply and demand the whole time. Um and um and when there's a change in those

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00:54:32,960 --> 00:54:40,240

assumptions, it makes that plan tighter. So, um and I could do a much longer answer on what we

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00:54:40,240 --> 00:54:44,400

what we're planning on doing about how increased housing growth questions, but I think I've been

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00:54:44,400 --> 00:54:50,000
warned that's coming later. So if you don't mind
I'll hold it till then. Um but on the second point

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00:54:50,000 --> 00:54:56,960
working together I absolutely agree. We often
get offers of assistance during a incident for

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00:54:56,960 --> 00:55:02,480
things like we can do local delivery, we can do
this. Uh and they're really welcomed but it's

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00:55:02,480 --> 00:55:06,720
really difficult in the middle of an event.
What we've got going to make sure we we've

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00:55:06,720 --> 00:55:11,360
effectively got in place is systems to record
that delivery happened. The c the customers

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00:55:11,360 --> 00:55:16,000
actually got it. And what worries me is if we've
got a number of bodies that have not pre-agreed,

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00:55:16,000 --> 00:55:19,600
that have just literally turning up on the day,
we might miss customers. And I go back to bit,

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00:55:19,600 --> 00:55:23,840
that's my biggest fear. That's why the peace time
piece is really important. So if we can get the

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00:55:23,840 --> 00:55:27,680
processes in place, if we can get the arrangements
with local authorities, parish councils,

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00:55:27,680 --> 00:55:31,120
whoever it is who wants to offer help, we're very
happy to talk to them, but we just need to set it

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00:55:31,120 --> 00:55:36,480

up in advance. You know, we probably could have done that before if I'm honest. Um, but we're

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00:55:36,480 --> 00:55:40,640

definitely doing it now. So it's one of our key actions is to talk to all those local authorities,

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00:55:40,640 --> 00:55:45,200

local council, get that set up and understand what they can commit, what their resources and and

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00:55:45,200 --> 00:55:51,680

as well how we can dovetail our processes so we make sure we don't miss anyone. Thank you. Thank

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00:55:51,680 --> 00:55:57,040

you very much. Um I now have I've got three other councillors who want to ask questions and then I'm

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00:55:57,040 --> 00:56:02,800

going to move on to the next part of the meeting. But first up is Councillor Lan please. Thank you,

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00:56:02,800 --> 00:56:10,480

chair. I appreciate we're trying to keep this session relatively short. Um, so I do have a

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00:56:10,480 --> 00:56:15,680

number of questions and through you chair, I'd like to submit those questions in writing to Mr.

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00:56:15,680 --> 00:56:22,240

Hinton um to follow up later if that's possible, but I'll try and keep my questions succinct for

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00:56:22,240 --> 00:56:27,760

today. Um, so Mr. Hinton, we've we've met a number of times. um you've been before this committee,

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00:56:27,760 --> 00:56:33,840

you've been presenting to parish councils, and I think from a from a councillors point of view,

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00:56:33,840 --> 00:56:39,840

I'm very grateful for your attendance um and your engagement with communities where it's

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00:56:39,840 --> 00:56:47,440

appropriate, where there's been outages. Um but with the greatest respect, I feel we are almost

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00:56:47,440 --> 00:56:55,440

like a record player. We're repeating the same messages that we heard years ago and there hasn't

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00:56:55,440 --> 00:57:04,400

really been any significant improvements. And the key question is why is that happening? Why why are

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00:57:04,400 --> 00:57:11,120

you before us again? Because I'm sure you don't want to be here and I don't particularly, you

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00:57:11,120 --> 00:57:16,880

know, it's not something I want to be discussing again. Um, but you're here and I'm grateful for

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00:57:16,880 --> 00:57:22,080

that and I'm grateful for your team turning up, but this shouldn't be happening and and it's

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00:57:22,080 --> 00:57:29,120

happening again and again and again and again and it's the same issues. We're we're all discussing

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00:57:29,120 --> 00:57:35,680

the same questions that we put for you last time and you've done to parish councils and where is

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00:57:35,680 --> 00:57:40,640

that learning? Where where's the change going to happen and who takes responsibility ultimately?

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00:57:40,640 --> 00:57:46,640

I guess it's you and I know you've had some pretty difficult sessions in parliament and I'm sure that

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00:57:46,640 --> 00:57:54,080

was very uncomfortable. Um, but ultimately this has got to stop. This this this matter's got to

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00:57:54,080 --> 00:57:59,040

come to an end and it's got to be resolved because I don't want to be calling you back

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00:57:59,040 --> 00:58:04,720

or through through the chair calling you back in in another 6 months time. And I've heard lots of

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00:58:04,720 --> 00:58:10,480

excuses and we've listened to your presentation. I'm very grateful to your presentation. Um,

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00:58:10,480 --> 00:58:15,280

and you've talked about climate resilience and you've talked about the stakeholder forums and

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00:58:15,280 --> 00:58:20,880

you know the the communications plans. There was going to be alerts similar to UK power networks

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00:58:20,880 --> 00:58:26,240

that you were you working on. I think um your your

Mr. Crumble, I don't know if he's still with you

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00:58:26,240 --> 00:58:33,200

or not, but he he gave a very good presentation around those issues. Yet, you're still here. So,

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00:58:33,200 --> 00:58:40,720

I I'm not I I need your assurances. I need to know your assurance that you are genuinely on top of

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00:58:40,720 --> 00:58:46,800

this issue. Your team is on top of this issue and if there are people that are responsible including

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00:58:46,800 --> 00:58:56,640

yourself that it's time to move on and I need to have that assurance. Sorry to be direct chair.

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00:58:56,640 --> 00:59:02,480

So I'm going to touch on some of the things I said earlier. So the what what is going to solve this

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00:59:02,480 --> 00:59:09,280

issue because it fundamentally is um a tight bridge between supply and demand in Kent and

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00:59:09,280 --> 00:59:14,800

Sussex. Okay. A way to a way to understand whether that's true whether I'm whether it's not that and

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00:59:14,800 --> 00:59:21,200

is whether it's the way we manage the team it's me it is the inf is the contracts we have in place

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00:59:21,200 --> 00:59:28,880

etc. I'll point you to another part of our business. So I also run an area uh that we call

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00:59:28,880 --> 00:59:36,480

the west which used to be midsouthern water um
is a legitimate entity is separate geographically

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00:59:36,480 --> 00:59:41,280

uh and on an interruptions performance it would
be either the best or the second best in the

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00:59:41,280 --> 00:59:47,600

industry. The difference between the west and
the and Sussex and Kent is the infrastructure

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00:59:47,600 --> 00:59:53,280

investment around climate change. Broad Oak should
have been earlier if we'd have known about climate

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00:59:53,280 --> 00:59:57,680

change. The west has had the equivalent of
broad oak in terms it had a big treatment

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00:59:57,680 --> 01:00:02,400

works on the temps called uh the kelling works
which introduced extra demand into that system.

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01:00:02,400 --> 01:00:06,400

The system in Sussex and Kent has got too tight on
infrastructure. We need to get the infrastructure

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01:00:06,400 --> 01:00:12,080

in. In the meantime, we're doing all we can to
try and reduce demand which is going to provide

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01:00:12,080 --> 01:00:16,560

a gap. We're doing all we can to make sure the
assets we've got continually run. We've got the

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01:00:16,560 --> 01:00:22,160

second lowest outage in the UK. So the outage
being the amount of time your treatment works

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01:00:22,160 --> 01:00:26,960

aren't working and should be. the second lowest out the 20 companies. We really focus on that. So

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01:00:26,960 --> 01:00:31,600

there's been a lot of changes that we put in place to try and deal with the issue in Sussex and Kent

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01:00:31,600 --> 01:00:38,560

are fundamentally extra investment both to reduce demand and to increase supply is what resolves

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01:00:38,560 --> 01:00:43,600

Kent and Sussex. And that's why we're spending the other part of our efforts in making sure that

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01:00:43,600 --> 01:00:49,920

investment story effectively um that investment need was demonstrated. And like I said before,

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01:00:49,920 --> 01:00:56,880

we've now got 300 million of extra investment into the region to try and ensure including storage,

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01:00:56,880 --> 01:01:02,240

interconnectivity, and more water uh into the region to increase the resilience back to the

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01:01:02,240 --> 01:01:09,680

network. And that's what I'm absolutely focused on doing and the team's absolutely focused on doing.

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01:01:09,680 --> 01:01:14,880

Thank you very much. Um so I now have uh Councillor Coleman and then Councillor Everett.

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01:01:14,880 --> 01:01:21,200

Um if I could just ask that questions are kept concise and and answers are also kept concise so

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01:01:21,200 --> 01:01:26,800

that we can then move on because we do have a lot to cover um including the you know the the future

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01:01:26,800 --> 01:01:33,680

and investment plans in the future etc. So thank you. Yeah. So I'd just like to um reiterate this

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01:01:33,680 --> 01:01:38,640

kind of context that we're in. Obviously, you're facing two so£22 million worth of fines for the

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01:01:38,640 --> 01:01:46,560

outages back in 23. Um, and then obviously the Cobra outages in 24, December 25. Um,

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01:01:46,560 --> 01:01:50,560

the the issue there was slightly different from the list of excuses that you've given

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01:01:50,560 --> 01:01:54,800

us. It was about a coagulant of the wrong chemical and the wrong kind of water. So,

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01:01:54,800 --> 01:02:00,160

each time we hear a different excuse and then there's a different um outage and a different

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01:02:00,160 --> 01:02:05,680

failure. But you uh yourself have just admitted that um you're very good at getting predictions

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01:02:05,680 --> 01:02:12,240

wrong. So what I'd like to know is how can we have confidence in this statutory obligation that you

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01:02:12,240 --> 01:02:17,520

have to forecast demand and forecast supply and know that there's a significant buffer between

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01:02:17,520 --> 01:02:23,760

the two? How can we have confidence in your plans? And just to say I was uh speaking to a resident at

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01:02:23,760 --> 01:02:30,320

the weekend and uh she said to me basically you get an exorbitant salary to say that you can do

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01:02:30,320 --> 01:02:35,680

the impossible and then leave a big mess and walk away for somebody else to pick up the slack and

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01:02:35,680 --> 01:02:41,920

uh and pick up another broken system. So how can we have confidence that you can deliver

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01:02:41,920 --> 01:02:46,480

what you say you're going to deliver in the plans going forward? I I do have a second

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01:02:46,480 --> 01:02:52,640

question because you talked about investment as well. You know, where's that money coming from

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01:02:52,640 --> 01:02:56,160

ultimately and who is paying, you know, if you get the 22 million pound fine,

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01:02:56,160 --> 01:03:02,960

who's paying for that 22 million pound fine? Thank you. Just just before you answer, Mr. Hinton,

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01:03:02,960 --> 01:03:07,920

I think I think that question would have been

better placed towards the, you know, in another

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01:03:07,920 --> 01:03:12,960

part of the meeting um in the final part of the meeting, but given that it's been asked

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01:03:12,960 --> 01:03:19,520

um and not wanting to repeat the question, if Mr. Tinder could answer it now, um that would

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01:03:19,520 --> 01:03:27,920

be helpful. Thanks. Okay, so confidence in the plans. Um like I said before, Southeast Water

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01:03:27,920 --> 01:03:33,280

does not and hasn't designed the planning process. So we feed forecasts into that and

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01:03:33,280 --> 01:03:38,480

what we're trying to do is forecast those things. So climate change, we use UK, we use government

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01:03:38,480 --> 01:03:43,920

climate change forecasts. We don't generate those. Demand forecasts, we don't generate those. We use

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01:03:43,920 --> 01:03:51,200

local authority housing growth forecasts. Um we do generate the supply one in in collaboration with

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01:03:51,200 --> 01:03:57,280

the environment agency and it's a tricky job. We are forecasting 25 years ahead water demand

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01:03:57,280 --> 01:04:02,160

um in that you know amongst those assumptions. So, I'm not going to guarantee we're going to get

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01:04:02,160 --> 01:04:08,320
it right. It is a difficult job to forecast that
far forward. And and we provide a lot of future

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01:04:08,320 --> 01:04:14,000
horizons that that the world might go down and
try and invest at a sensible place between cost to

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01:04:14,000 --> 01:04:18,560
customer impact on the environment and risk to the
public health supply. You're trying to find that

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01:04:18,560 --> 01:04:22,720
right line between all those different impacts. If
you take too much water from the the environment,

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01:04:22,720 --> 01:04:28,240
the environment will be harmful. If you if you
but public supply will be more secure. Equally

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01:04:28,240 --> 01:04:32,960
if you put a lot of investment in public bills
go up. So that balance is for the regulators have

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01:04:32,960 --> 01:04:37,920
got to struggle with that balance as well. Uh as
as as policy setters. So that's the tricky thing

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01:04:37,920 --> 01:04:45,520
about the forecast. Um in terms of confidence of
delivery um so if you take the last 5year period

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01:04:45,520 --> 01:04:50,240
we overspent by well over 100 million on the
allowance we were given because we need we we saw

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01:04:50,240 --> 01:04:54,160
there was a need to do more resilience investment
than we were actually funded which meant the

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01:04:54,160 --> 01:05:00,400

shareholders contributed to that. And in terms of linked to that in terms of the 22 million which is

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01:05:00,400 --> 01:05:08,960

still in the consultation with L4 if it remains as a fine um then the shareholders entirely pay that.

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01:05:08,960 --> 01:05:13,200

Sorry just to come back from the first part essentially what people are experiencing is their

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01:05:13,200 --> 01:05:18,080

bills are going up and up and up but the service is becoming less and less reliable and I just want

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01:05:18,080 --> 01:05:24,400

you to sort of maybe explain why that is the case. So the bill the bills effectively reflect the

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01:05:24,400 --> 01:05:29,440

need for the future investments. that's what it's paying for. Um, and we did a lot of um,

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01:05:29,440 --> 01:05:33,760

a lot of customer engagement, customer surveys, testing that very question. Would you like an

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01:05:33,760 --> 01:05:37,440

increased reliability of supply? Would you like reduced hose pipe bands? And what you what would

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01:05:37,440 --> 01:05:43,600

you be prepared to pay for that? Um, and and that was a resounding yes, we are prepared to pay for

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01:05:43,600 --> 01:05:50,560

that. We at the same time they recognized that not all customers can afford it. So we increased our

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01:05:50,560 --> 01:05:56,400

social tariff um offerings considerably catching nearly twice as many uh customers than we did

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01:05:56,400 --> 01:06:00,720

before on a means tested basis and other tested basis to make sure that we weren't that we weren't

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01:06:00,720 --> 01:06:04,880

um harming those customers who couldn't afford to pay. So we very much took that balance. Customers

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01:06:04,880 --> 01:06:14,400

are very supportive of the approach of investing more to improve uh resilience going forward.

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01:06:14,400 --> 01:06:21,120

Thank you. Um just on the bill point, I did have a look at this um and my understanding is although

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01:06:21,120 --> 01:06:27,200

in nominal terms it looks like water bills have increased significantly in the last few years I

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01:06:27,200 --> 01:06:35,200

think in real terms if you look at the last 15 years they're roughly roughly flat. So, I

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01:06:35,200 --> 01:06:41,360

appreciate that. That's a nuanced point, but when you take into account inflation and the inflation

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01:06:41,360 --> 01:06:50,000

in in bills against the broader inflation in the in the economy, in real terms, bills are fairly

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01:06:50,000 --> 01:06:54,400

flat over the last 15 year period. But what I don't want to see is bills going up, you know,

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01:06:54,400 --> 01:07:00,480

above inflation in the next five, six, 10, 20 years. So, I suppose that comes down to it,

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01:07:00,480 --> 01:07:09,760

but I appreciate that that's a nuance point. Um, Councillor Everett, please. So, it's brilliant

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01:07:09,760 --> 01:07:17,280

that you are doing a lot of preparation in anticipation of um outages in your modeling. Uh,

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01:07:17,280 --> 01:07:24,160

can you just identify how many outages do you expect per year and do you expect that to diminish

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01:07:24,160 --> 01:07:32,480

over time or is this something we're just going to be living with? Um so uh we we don't predict

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01:07:32,480 --> 01:07:39,200

well predicting outages would be when it would be a exercise in prediction predicting peak

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01:07:39,200 --> 01:07:45,520

weather as well. So we do do that um and it's it's a little hard to say um exactly how many we get

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01:07:45,520 --> 01:07:50,640

because it would depend on um the extreme weathers we are seeing. What I can tell you though is we

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01:07:50,640 --> 01:07:55,360

are constantly putting investment in which makes

the likelihood of that extreme weather impacting

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01:07:55,360 --> 01:08:00,000

customers. that is absolute focus every time we do. So over this period as an example we've

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01:08:00,000 --> 01:08:04,800

connected bits of Sussex to bits of Kent that were never connected before. Um and that's reduced the

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01:08:04,800 --> 01:08:10,880

likelihood of villages like Wurst being impacted again. So it was a main it was a considerably it

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01:08:10,880 --> 01:08:15,200

was a considerable investment. It was quite a large main that went in. Um we've got numerous

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01:08:15,200 --> 01:08:20,160

other investments around um some villages like Challoc and Moash which I'm not entirely sure

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01:08:20,160 --> 01:08:26,000

where sit in the geography u of your patch. um I can't remember the exact overlap but again we

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01:08:26,000 --> 01:08:30,880

put some investment around that area which meant that areas and we're continually doing that um

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01:08:30,880 --> 01:08:36,560

with the existing water we've got um some of the the sort of the biggest game changer in terms of

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01:08:36,560 --> 01:08:42,320

new water is we've just been granted the ability to effect to be funded for to be able to increase

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01:08:42,320 --> 01:08:49,200
the Bewl reservoir uh Bewl reservoir treatment works
capacity so that allows us to put more water into

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01:08:49,200 --> 01:08:53,520
the north part of Kent and that knocks on all
the way through a lot most of Kent to be honest

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01:08:53,520 --> 01:08:59,440
and some benefits to Northern Sussex as well. So
um so they're the kind of investment we are doing

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01:08:59,440 --> 01:09:05,680
small investments every year and that reduces the
likelihood of these events happening every year.

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01:09:05,680 --> 01:09:12,240
With respect, you haven't answered my question.
How many outages do you model per year? Well,

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01:09:12,240 --> 01:09:17,120
we generally don't um we don't we don't model
what we try and do is model future weather

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01:09:17,120 --> 01:09:22,160
impacts and how we can deal with it. We don't
we don't measure we don't model outages per se.

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01:09:26,720 --> 01:09:36,000
Thank you. Okay. So, I'm going to move on now
to um the next section which is um resilience,

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01:09:36,000 --> 01:09:40,720
preparedness and delivery of improvements.
I understand there you know there has been

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01:09:40,720 --> 01:09:50,880
some overlap there. Um but if I could start
with a a first question to you um your water

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01:09:50,880 --> 01:09:54,400

resource management plans the various water
resource management plans that you've you've

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01:09:54,400 --> 01:10:02,080

done in the past and and the incumbent one they do
have although it sounds curious it seems to be a

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01:10:02,080 --> 01:10:12,000

leakage allowance. you plan for a certain amount
of water um to be leaked and in 2223 your target

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01:10:12,000 --> 01:10:26,160

was uh 89.9 mega liters per day um and you you
achieved if that's the right word 102 mega liters

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01:10:26,160 --> 01:10:34,640

per day. So you were 12 megal Liters per day above
target there. And in 2023 and 2024 your target

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01:10:34,640 --> 01:10:43,200

was 86.7 mega per day and you achieved again um
not sure that's the right word but you achieved

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01:10:43,200 --> 01:10:50,640

101.4 mega per day. So you missed your leakage
targets two years in a row. I don't have the

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01:10:50,640 --> 01:11:01,440

latest figures, but if I take um if I take leakage
as a proxy for your infrastructure resilience and

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01:11:01,440 --> 01:11:09,280

the appropriateness of your network to to meet the
current demand placed on it, it looks like that's

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01:11:09,280 --> 01:11:20,960

failing. So my question is what are you confident that your network is resilient enough to meet just

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01:11:20,960 --> 01:11:27,840

you the the demands placed on it today taking into account you know things that maybe are slightly

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01:11:27,840 --> 01:11:34,640

outside of the norms. Um and what confidence can can residents have that there aren't going to be

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01:11:34,640 --> 01:11:39,200

more sustained outages? And we'll get to housing growth, I'm sure, at some point in in the in the

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01:11:39,200 --> 01:11:46,960

future. But I'd like to just get your summary if I could on how you view your current infrastructure

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01:11:46,960 --> 01:11:53,760

capability um given those misleakage targets because because the leakage you know that you've

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01:11:53,760 --> 01:11:59,600

you've had is enough to supply tens and tens of thousands of homes and arguably you know would

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01:11:59,600 --> 01:12:08,080

have um if if they hadn't been leaking um would have resulted in less disruption to to residents.

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01:12:08,080 --> 01:12:16,880

Sure. This this is this is quite quite a big area. So So leakage targets are derived as from as you

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01:12:16,880 --> 01:12:20,160

rightly say from the water resource management plan. They're effectively an assumption on water

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01:12:20,160 --> 01:12:25,360

leaving the system by demand. Um and we had and we had a target in those as you rightly say

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01:12:25,360 --> 01:12:32,960

um of 89 and 87. Um in those two years that's when we had the um either a freeze thought or a summer

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01:12:32,960 --> 01:12:38,480

demand dry event. So that impacted our leakage in those particular years that impacts the ground

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01:12:38,480 --> 01:12:44,640

movement and we get bursting pipes as I said that lead that led to the first event um and then we

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01:12:44,640 --> 01:12:48,800

need to recover from that so in that year tend to have high leakage which comes down again. So we

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01:12:48,800 --> 01:12:55,280

are currently in the very low 90s very close to the target um that we've been set for this 5year

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01:12:55,280 --> 01:13:02,320

period um at the moment. So we've recovered from those two years. Um in fact the in fact the um the

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01:13:02,320 --> 01:13:08,640

Wen area that is one of our best areas in terms of um outstanding leaks uh and leakage performance

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01:13:08,640 --> 01:13:13,520

and the company overall just you know we are and um I do agree we should not have missed those

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01:13:13,520 --> 01:13:17,520

targets. We're trying really hard not to miss

those targets on a relative basis. We're quite

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01:13:17,520 --> 01:13:22,240

we're quite a good performer in the industry in total leakage. We set ourselves some tough targets

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01:13:22,240 --> 01:13:26,880

and the process set us some tough targets but like I said those were impacted by weather events in

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01:13:26,880 --> 01:13:33,760

terms of confidence based on the fact our leakage number is very close to the current target now and

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01:13:33,760 --> 01:13:39,520

we've recovered from those two positions. Also we've had a considerable increase in funding

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01:13:39,520 --> 01:13:45,600

and resource um on mains replacement going into the period which is approaching 3% of

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01:13:45,600 --> 01:13:50,320

the network. It's never been at that high number in the past in the water industry. So that is

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01:13:50,320 --> 01:14:01,120

going to be a big help to in terms of improving the infrastructure going forward. Thank you. Um

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01:14:01,120 --> 01:14:09,120

you know but I suppose my my issue with the explanation is that you've known for years

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01:14:09,120 --> 01:14:15,120

that you know that you were missing leakage targets. You know, we all know that there's a

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01:14:15,120 --> 01:14:22,880
possibility and probably now indeed a probability
of extreme weather events either in the summer or

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01:14:22,880 --> 01:14:29,440
the winter. Um, you know, so I suppose that's
normalizing, you know, extreme weather. Um,

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01:14:29,440 --> 01:14:34,800
and yet when when any degree of stress,
whether it be summer or winter, seems to

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01:14:34,800 --> 01:14:42,480
hit the Southeast Water system, um, it fails.
Um, and that seems to me not to be bad luck,

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01:14:42,480 --> 01:14:49,680
but perhaps more accurately described
as as as a either a loss of control or

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01:14:49,680 --> 01:15:00,560
um, you know, is there a is there a problem
with your forecasting and risk management?

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01:15:00,560 --> 01:15:04,640
We're not seeing any more burst mains would be my
starting point. So we've seen around 2 and a half

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01:15:04,640 --> 01:15:10,000
thousand been relatively steady but we do get
peaks which does increase the leakage. Um now

757
01:15:10,000 --> 01:15:15,040
would I like to replace more of the network? Yes
I would. Um and we try and do that on a risk basis

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01:15:15,040 --> 01:15:19,760
and we have changed the risk allocation. Part of
the re that is part of the reason we are now doing

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01:15:19,760 --> 01:15:25,760

3% more than we were before. This is this goes to my point earlier about accelerating activity.

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01:15:25,760 --> 01:15:31,680

Um we're accelerating at 2% we didn't see before. We're we're always trying to balance affordability

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01:15:31,680 --> 01:15:38,000

with um with public health, not public health, public supply risk and environmental risk.

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01:15:38,000 --> 01:15:43,520

That is the that is the three triangles that we are constantly trying to balance. Um and yeah,

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01:15:43,520 --> 01:15:51,120

so I mean yeah, so I think the network is stable. I think it's stable to um reasonable

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01:15:51,120 --> 01:15:56,800

weather shocks. We did recover quite quickly. So all the leakage went high and we did recover quite

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01:15:56,800 --> 01:16:04,560

quickly. I think I have over two and a half times the number of um fixed repair teams that I had

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01:16:04,560 --> 01:16:09,440

three years ago. So because of that very issue, we needed to keep it down. We're fighting to keep it

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01:16:09,440 --> 01:16:16,080

down. It comes down very fast when it goes up. But that peak like we saw in the I spoke about earlier

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01:16:16,080 --> 01:16:20,800

suddenly goes up really really quickly and then it does take a number of months to bring it back down

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01:16:20,800 --> 01:16:26,320

again because it's lots and lots of burst main repairs. Um and so that's kind of how we operate.

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01:16:26,320 --> 01:16:30,640

So I would no I would like to replace more of the network but that balance is is going on between

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01:16:30,640 --> 01:16:41,280

all those different factors. Thank you. Um so now I have uh Councillor Lan please. Thank you. Um,

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01:16:41,280 --> 01:16:49,600

I just want to give you the opportunity to put on record um, your explanations of the investments

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01:16:49,600 --> 01:16:55,680

that you've put in um, and the and the partnership working you've been putting in with Southern

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01:16:55,680 --> 01:17:04,160

Water around friends Water. I know we spoke about that last time and initially it was like yes,

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01:17:04,160 --> 01:17:08,880

we're planning to do this. We're going to accelerate the investment. Could you explain where

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01:17:08,880 --> 01:17:12,960

you're at and the implications of it and when it's all is it going to come online? You know,

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01:17:12,960 --> 01:17:17,760

is it been tested? You know, where are you at? Because I think that would be useful to have it on

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01:17:17,760 --> 01:17:26,480

record. Um I've had two comments. um one from the Friends of Bewl um who've actually said positive

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01:17:26,480 --> 01:17:33,360

things about working with you in partnership and um have welcomed your dialogue with them

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01:17:33,360 --> 01:17:40,000

but they're concerned about the extraction of Bewl u with the new infrastructure being put in place

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01:17:40,000 --> 01:17:48,160

the amount of extraction and its impact on flora and fauna and the recreational facilities at Bewl

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01:17:48,160 --> 01:17:53,920

um and then secondly I've been contacted by the Green Wield Alliance which I'm assured

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01:17:53,920 --> 01:18:00,960

is a non-political organization and hopefully it's um correct that Mr. Benning is aware of this group

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01:18:00,960 --> 01:18:08,560

um that have raised the issues about um basically the res financial resilience of

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01:18:08,560 --> 01:18:16,240

the investors and the shareholders and investing into Southern Water, sorry, Southeast Water

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01:18:16,240 --> 01:18:22,000

um and your infrastructure network. So I'm I'm giving you the floor to kind of give put on record

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01:18:22,000 --> 01:18:28,240

your explanations around those things. Thank

you. So um first one first. So Southern Water

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01:18:28,240 --> 01:18:35,280

and Joint Schemes. So we um 20% of our water that we supply our customers comes from bulk supplies.

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01:18:35,280 --> 01:18:40,880

Most of that comes from Southern. So uh and most of that comes from a a scheme called the River

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01:18:40,880 --> 01:18:45,440

Medway scheme which is centred around the river Medway and the Bewl Reservoir. It was an act of

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01:18:45,440 --> 01:18:50,960

parliament that was written over 100 years ago that arrangement. Uh and we work closely with

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01:18:50,960 --> 01:18:55,920

Southern on how that whole system balances. They supply customers their side from the same assets

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01:18:55,920 --> 01:19:01,840

they supply customers on our side. And we've just recently in the last few weeks finished a scheme

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01:19:01,840 --> 01:19:06,960

um in Kent um called the butler treatment works which is allowing us to and southern to

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01:19:06,960 --> 01:19:12,160

balance their their effectively their burum source which is their largest source into our system. So

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01:19:12,160 --> 01:19:16,560

that's now complete. That was that was our biggest scheme in the last 15 years. That's I believe what

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01:19:16,560 --> 01:19:20,560

we might we were referring to when we're talking about that inter relationship with Southern. So

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01:19:20,560 --> 01:19:26,560

that Southern scheme is going ahead. In terms of the the Bewl scheme I referred to, we're not

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01:19:26,560 --> 01:19:32,080

proposing to over the year take more water from Bewl. It's more of a during peak times we can

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01:19:32,080 --> 01:19:37,280

take we've got greater production capacity um to be able to produce water faster during a period

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01:19:37,280 --> 01:19:42,880

such as this. So the recovery um for the system is much quicker. So it's not so it won't have a

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01:19:42,880 --> 01:19:50,240

net impact. I mean we are at Southeast Water. We are we absolutely love our surface reservoirs. Um

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01:19:50,240 --> 01:19:56,480

our surface I need to be clear surface reservoirs. The community value they provide is enormous. Ardingly

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01:19:56,480 --> 01:20:02,800

Arlington and know we're really proud of those and we we love the part that we play with Bewl. Um you

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01:20:02,800 --> 01:20:07,840

know Bewl a community and we really value that as a local amenity and we would not do anything to

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01:20:07,840 --> 01:20:11,920

harm that local amenity. We think it's fantastic. It's great for people. We're building another one,

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01:20:11,920 --> 01:20:15,760

aren't we? So, we're building Broad Oak out, which is we're spending a considerable amount

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01:20:15,760 --> 01:20:21,440

of time with local community um local groups to make sure the amenity and the nature value of

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01:20:21,440 --> 01:20:26,320

that particular asset is is what they want as well as providing a water security asset. So,

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01:20:26,320 --> 01:20:31,920

that is also really important to us. So, so those groups um are really really important to us on

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01:20:31,920 --> 01:20:39,040

the on the financial v vi financial um what's the word I'm trying to say viability of the of

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01:20:39,040 --> 01:20:43,200

the of the shareholders and the investors you know they're fully supporting us they they've only just

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01:20:43,200 --> 01:20:48,080

recently put 250 million pound of equity into the business to support the extra investment we need

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01:20:48,080 --> 01:20:53,520

to do moving from 1.1 billion to 2 billion that helps with that that helps with that funding so

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01:20:53,520 --> 01:20:57,680

they've seen they've been really supportive they haven't really taken a dividend in the

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01:20:57,680 --> 01:21:01,440

remaining years and they're not forecasting to take a dividend. They're very much supporting

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01:21:01,440 --> 01:21:05,840

it as a long-term asset. Um it is an asset that they do value. It's an asset that's got

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01:21:05,840 --> 01:21:10,320

a public good asset. We have got a strong environmental record, a strong ESG record.

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01:21:10,320 --> 01:21:15,360

We've got we've got an issue that we absolutely need to resolve on interruptions. But the but

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01:21:15,360 --> 01:21:23,920

in terms of the support for the for Southeast, I feel it's absolutely it's absolutely clear.

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01:21:27,440 --> 01:21:33,520

Thank you very much, Mr. Hinton. I've now got um Councillor Shaw um and then and then Councillor

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01:21:33,520 --> 01:21:37,680

Cox. But what I'm going to do after Councillor Shaw is finished and you've finished giving your

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01:21:37,680 --> 01:21:41,440

answer to his questions, I'm going to take a 5m minute break and then we'll return immediately

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01:21:41,440 --> 01:21:52,080

for Councillor Cox's question. Yeah, thank you. Um I'm I'm looking at the Ofwat report of this month

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01:21:52,080 --> 01:21:57,200

um which identifies a number of sort of failings which we've we've kind of explored

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01:21:57,200 --> 01:22:06,000

to some extent here and it gives four reasons
um or suggests four reasons as to why some of

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01:22:06,000 --> 01:22:11,120

those failings happened. And last one of those
is failings executive and board level oversight

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01:22:11,120 --> 01:22:18,000

and assurance. And it provides a summary of
that in terms of lack of adequate reporting

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01:22:18,000 --> 01:22:28,160

metrics and management information being in
place um um uh failures on monitoring and and

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01:22:28,160 --> 01:22:33,200

risk management actually to some extent which
we've also mentioned. So I'm I'm wondering what

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01:22:33,200 --> 01:22:45,280

specifically are the board and your executive
team working on as as a team as as a board

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01:22:45,280 --> 01:22:53,120

um to you know manage and plan for the
challenges that that we've identified. I mean,

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01:22:53,120 --> 01:22:57,760

you've been through a lot of the sort of
kind of technical things that are happening,

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01:22:57,760 --> 01:23:04,960

but I'm wondering specifically what the board's
doing and what your exec team is doing. Yeah,

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01:23:04,960 --> 01:23:10,320

that's a really good question. So, now clearly

when the business has an impact that we've had

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01:23:10,320 --> 01:23:14,320

over the years, we focus on a number of areas I've talked about and the board's been very much behind

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01:23:14,320 --> 01:23:19,120

this on looking at how we can effectively secure that extra resilience funding going forward. big

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01:23:19,120 --> 01:23:25,760

part of it. But it's but just as big if not bigger is are you know is looking at things like is the

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01:23:25,760 --> 01:23:30,080

risk are we managing risk all the way through the business at every point in the business in

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01:23:30,080 --> 01:23:33,360

the right way. Are we doing the forecasting correctly? Are we putting the mitigation in

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01:23:33,360 --> 01:23:38,160

place? And and whilst we've got a risk framework, we've had a risk framework. We could definitely

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01:23:38,160 --> 01:23:42,720

do more. We could definitely do more. And that is that is one of our big steps going forward

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01:23:42,720 --> 01:23:46,720

is on the management of risk particularly at a really really local level. some of these some

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01:23:46,720 --> 01:23:51,520

of the impacts that we see that overall end up having a big impact on customers can start at

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01:23:51,520 --> 01:23:56,880

a very small risk in the first instance. Um, so we're really focusing on risk at a really really

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01:23:56,880 --> 01:24:02,240

low level. That's a that is a massive focus on the board. Constantly focusing on resource. Not

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01:24:02,240 --> 01:24:06,720

I'm not talking about water. I'm talking human resource, people resource, financial resource. Um,

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01:24:06,720 --> 01:24:11,040

and hence the overspend we did um last time. But we're continuing to look at have we got

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01:24:11,040 --> 01:24:16,960

the right resource until the investment comes in place because we we do not want to continue to we

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01:24:16,960 --> 01:24:20,800

don't want to risk customers and and just go we're waiting for investment because we're not waiting

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01:24:20,800 --> 01:24:25,120

for investment. We know there's loads of things we need to do in between. Um the investment is

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01:24:25,120 --> 01:24:29,760

a long-term solution. We absolutely need to make different decisions in a different way inside the

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01:24:29,760 --> 01:24:35,120

business in the interim period and the board's been very much focusing on that. As an example,

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01:24:35,120 --> 01:24:41,600

um we've got two we've recently employed two new executive directors. So it used to be an executive

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01:24:41,600 --> 01:24:47,520

team of five, it's now an executive team of seven.
Um they came on in the last um number of months.

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01:24:47,520 --> 01:24:51,680

One of them is focusing solely on delivering
of the investment. The other one is focusing

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01:24:51,680 --> 01:24:56,640

solely on insight gathering from customers about
things like this event. So strengthen the exec

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01:24:56,640 --> 01:25:02,320

team is is a very tangible a very tangible kind
of like mitigation that's been in place from the

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01:25:02,320 --> 01:25:12,000

board. But there's lots mostly around those
areas risk mitigation resource allocation.

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01:25:12,000 --> 01:25:17,760

Do you have a follow up Councillor Shaw?
Yeah, just quickly I mean I'm I'm interesting

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01:25:17,760 --> 01:25:20,880

specifically what you just said that there
are two people that you've kind of brought

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01:25:20,880 --> 01:25:28,080

on board. Um was that is that the result of
you know identifying that you had skills gaps

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01:25:28,080 --> 01:25:35,440

in the in the exec team or the board? It was a
number of things. So one the one obvious step

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01:25:35,440 --> 01:25:39,760

was happening we were going from 1.1 billion of investment to two billion. So there was a

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01:25:39,760 --> 01:25:45,600

we have got a lot more to do really focus on delivery on engineering. So having a

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01:25:45,600 --> 01:25:51,120

having a effectively a dedicated directorate just deal with engineering delivery and also

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01:25:51,120 --> 01:25:54,720

we've got a number of other program. So that's that director. The other director

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01:25:54,720 --> 01:25:58,960

is a technical and insight director. We got a lot of information coming in from smart meters

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01:25:58,960 --> 01:26:02,960

which we've already started to put in the ground. Wanted to get real customer insight out of that

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01:26:02,960 --> 01:26:09,280

in part to help manage interruptions in part to help conversations with customers around demand

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01:26:09,280 --> 01:26:14,000

management in part to help customers find leaks in their own property and leaks on their network.

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01:26:14,000 --> 01:26:20,160

So those two so they both functioning around demand reduction, resilience, risk assessment.

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01:26:20,160 --> 01:26:25,840

It also meant the existing directorates were were allowed to if you like be freer to do what to do

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01:26:25,840 --> 01:26:29,520

their main job. The operations directorate no longer was looking after engineering. So

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01:26:29,520 --> 01:26:38,160

it's effectively spreading the workload um and recognizing challenges and increase in delivery.

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01:26:38,160 --> 01:26:46,880

Thank you very much. Um, so the time is now 11:27. Um, and I'm going to be a bit pedantic, but if

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01:26:46,880 --> 01:26:53,360

everyone could be back here by 11:32, that would be very useful. I think we're we're on time, so so

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01:26:53,360 --> 01:27:02,640

that's so that's good. But I do want to There's a fair amount more ground to cover. Thank you.

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01:27:02,640 --> 01:27:09,040

Thank you very much. So, um, welcome back everyone. Um, straight over to Councillor Cox,

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01:27:09,040 --> 01:27:14,400

please. Yes. So, um, as you were answering to the chair earlier about your leakage,

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01:27:14,400 --> 01:27:20,720

um, I was just thinking about my line of, uh, work. I I work in catering and we understand

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01:27:20,720 --> 01:27:24,960

when things are going to go off, when things are going to, um, we forecast that. So,

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01:27:24,960 --> 01:27:31,760

when we prepare for stuff, we know what we're

doing. Um, it sounded like you said that um,

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01:27:31,760 --> 01:27:37,120

on each time you forecasted and you've missed your target every single time. So, is that because

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01:27:37,120 --> 01:27:46,400

um your infrastructure your your infrastructure strategy isn't right? But also um with your pipes,

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01:27:46,400 --> 01:27:52,720

do you do you regularly um assess the all the pipes that you have and understand how

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01:27:52,720 --> 01:27:58,240

where their lifetime span is? And do you think, and this is a yes or no answer, um do you think

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01:27:58,240 --> 01:28:05,200

that your pipes are actually um going to survive your plan journey? cuz you you're saying you're

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01:28:05,200 --> 01:28:10,400

going to put the infrastructure and you suggested that if it was up to you, you would do more and

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01:28:10,400 --> 01:28:14,320

do more with your pipes and change your pipes so you wouldn't have as much leakage. Do you think

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01:28:14,320 --> 01:28:20,000

that you're actually going to hit your targets because are your are your pipes actually in

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01:28:20,000 --> 01:28:27,680

data and are they going to survive the weathers over the next few years in line with your plan?

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01:28:27,680 --> 01:28:34,320

Okay. So um in terms of hitting on missing the leakage target as I said before we we are one

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01:28:34,320 --> 01:28:38,720

of the better companies in the industry on on our leakage performance. We have missed our target. I

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01:28:38,720 --> 01:28:42,720

think it I need to check this figure but I think it's somewhere in the region of two years out

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01:28:42,720 --> 01:28:45,920

of 10. So I know they've been the more recent two years but they have been two years out of

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01:28:45,920 --> 01:28:51,040

10. And we do forecast we have both summer which these guys are heavily involved in. We both have

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01:28:51,040 --> 01:28:56,160

both a winter readiness process and operations and a summer readiness process in operations.

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01:28:56,160 --> 01:29:01,120

And part of the winter readiness is we do increase the resource. Um the most important thing from our

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01:29:01,120 --> 01:29:07,120

side is the repair the speed of the repair and the and also the um targeting of the repair on

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01:29:07,120 --> 01:29:11,680

the hard and the large volume leaks which are many of them are not visible. Um so we need we

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01:29:11,680 --> 01:29:17,360

find those. So we also increase the find resource. We we do that via both internal resource and also

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01:29:17,360 --> 01:29:22,960

by contractors. So we we do we do do that. Um again there's an affordability balance with an

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01:29:22,960 --> 01:29:29,120

achievability balance. is also a supply chain balance. So, so managing the peaks is we have

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01:29:29,120 --> 01:29:32,560

a resource to manage peaks. If the peak's slightly bigger than the peak we thought, we won't have the

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01:29:32,560 --> 01:29:37,200

resource to manage that peak, but we do increase the resource to manage the peaks. In terms of

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01:29:37,200 --> 01:29:44,560

asset condition, um we regularly survey our assets to understand what they're made of, um what their

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01:29:44,560 --> 01:29:49,360

age is, but um but not only that, there it's quite it's quite complicated in terms of underground

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01:29:49,360 --> 01:29:53,680

assets because it does. So when I talk about that, I'm talking about cast iron pipes, plastic pipes,

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01:29:53,680 --> 01:29:58,240

things like that. So cast iron pipe will be fine sitting in a normal soil. If you put it in a clay

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01:29:58,240 --> 01:30:02,880

soil, it'll only last half the time because the corrosive nature of the clay soil. So we take into

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01:30:02,880 --> 01:30:10,640

account those those factors as well when when we
look at the targeted replacement um in terms of um

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01:30:10,640 --> 01:30:16,800

setting as I said before I'd always like to have
more resource um financial resource to replace

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01:30:16,800 --> 01:30:23,360

more pipes um but we are we do we are making that
balance um and when and the the leakage target is

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01:30:23,360 --> 01:30:27,280

really important to understand. So the leakage
is both on our side but it's also on customer

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01:30:27,280 --> 01:30:32,320

side. So the smart metering we think is going to
have the spi single biggest impact on leakage and

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01:30:32,320 --> 01:30:38,880

that's regularly that's a that's a that's a common
held view across the industry. So, as an example,

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01:30:38,880 --> 01:30:46,240

um, leaky Lu's feels like a really trivial issue,
but the modern L leaks back into the bowl. In the

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01:30:46,240 --> 01:30:49,840

old days, I remember when it came out of a pipe
on the side of your house and you could see it

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01:30:49,840 --> 01:30:54,320

visibly running down the side of your house and
people would fix those really quickly because they

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01:30:54,320 --> 01:31:00,000

go back in the bowl, they're not even visible. A
leaky L um, when running is roughly equivalent to

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01:31:00,000 --> 01:31:06,080

another house with four people in it. So if so
and T's water who started the study early were

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01:31:06,080 --> 01:31:11,200

finding someone like one in every 10 house
has a leaky loop. So the smart meter will be

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01:31:11,200 --> 01:31:15,920

is going to be great because it's going to say to
us and the customer you've got constantly running

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01:31:15,920 --> 01:31:20,400

water in your house. So instantly be able to
find it. So that so they all the that's just

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01:31:20,400 --> 01:31:25,840

one example of a leakage leakage element we've
got within strategy to bring that demand down

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01:31:25,840 --> 01:31:31,200

specifically on your pipes. Um and you and I
understand obviously it'll be different for

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01:31:31,200 --> 01:31:36,480

different areas with the clay etc. However,
you would have you could you could for focus

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01:31:36,480 --> 01:31:41,440

uh forecast that you can work out roughly from the
age of the pipes. You you get your data constantly

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01:31:41,440 --> 01:31:46,720

as you say you're doing surveys through to see the
damage of the pipes with the surveys that you've

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01:31:46,720 --> 01:31:51,280

got and the information that you've got. Can you

see yourself actually hitting your targets or is

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01:31:51,280 --> 01:31:56,560

your investment plan for your pipes beneath where it needs to be so that you can actually hit your

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01:31:56,560 --> 01:32:02,400

targets? because that's the question really. So it's so our leakage strategy has mains replacement

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01:32:02,400 --> 01:32:08,240

as one of the key elements of it. So we we've created a balance between fixing leaks, replacing

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01:32:08,240 --> 01:32:15,280

new mains, changing pressures, um changing the way the network's configured is multi multifaceted and

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01:32:15,280 --> 01:32:18,880

repairing the pipes is what definitely one of replacing the pipes is definitely one of those

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01:32:18,880 --> 01:32:25,920

things. Average age of our pipes are about 65 yearsish. Um and so and but that doesn't really

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01:32:25,920 --> 01:32:29,920

give you a very good indicator because some plastic pipes don't last 60 years. So we need

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01:32:29,920 --> 01:32:35,360

to replace those earlier. Some cast iron pipes can last 150 years. So um so we're effectively

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01:32:35,360 --> 01:32:40,720

trying to do that balance. We do have a team which is effectively role is to understand the state of

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01:32:40,720 --> 01:32:46,800

the assets and prioritize the investment to make sure we use that money in the most effective way

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01:32:46,800 --> 01:32:50,640

because obviously as you know like you can see when you drive the roads the roads are out of date

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01:32:50,640 --> 01:32:55,840

so they're breaking down. It's the same with the pipes. Are we at that hot spot with you where you

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01:32:55,840 --> 01:32:59,360

see the investment and you've been living off the investment of a different company or a different

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01:32:59,360 --> 01:33:03,920

infrastructure over years and we're now at that hot point where things are just deteriorated and

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01:33:03,920 --> 01:33:09,600

it needs full scale replacement because you still even though you've spoke a lot around the subject,

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01:33:09,600 --> 01:33:14,000

you still haven't actually answered whether you think over the next few years your pipes

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01:33:14,000 --> 01:33:18,880

are okay to keep going and that you've got the infrastructure and the investment to go

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01:33:18,880 --> 01:33:21,760

forward so they're going to you're going to hit your targets because at the moment you're

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01:33:21,760 --> 01:33:28,400

saying about us as consumers changing our our behaviours with our leaky our leaky toilets etc.

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01:33:28,400 --> 01:33:34,080

And I understand and I completely agree with that.
But what I'm asking about is your end, you know,

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01:33:34,080 --> 01:33:38,960

the the the pipes and where the pipes are
deteriorating and we see pipes bursting and water

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01:33:38,960 --> 01:33:45,040

running for a week or two weeks at a time. Are we
at a hot spot where you're going to see a lot of

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01:33:45,040 --> 01:33:51,200

your of your kind of pipes start to deteriorate?
And can you will you be able to hit your targets?

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01:33:51,840 --> 01:33:56,480

I don't think we're any different place than
than we've ever been because they've the pipes

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01:33:56,480 --> 01:34:02,880

have gone in over many many many decades. Uh and
and we are replacing them in you know in that way

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01:34:02,880 --> 01:34:08,880

and so I don't see it represents like a cliff edge
like you're suggesting. Um the only reason why I

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01:34:08,880 --> 01:34:12,320

suggest there might be a cliff edge is because
you said over the last 10 years we've only had

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01:34:12,320 --> 01:34:15,920

two issues and the two issues have been back to
back which would suggest that you're at a point

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01:34:15,920 --> 01:34:21,760

where things are no longer looking as good as they were say 8 years ago um 10 years ago. So if you're

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01:34:21,760 --> 01:34:26,240

saying in 10 years I've had only issues in two of the years and at the latter part then there's

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01:34:26,240 --> 01:34:32,560

clearly an issue and a systematic issue happening now not then. So therefore, can you please answer

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01:34:32,560 --> 01:34:38,000

do you think? Yeah, I do. I do think I the and they're a contributing factor to that supply

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01:34:38,000 --> 01:34:42,640

demand balance. It's restoring the gap between supply and demand which is the real game changer

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01:34:42,640 --> 01:34:48,400

on resilience and obviously reducing leakage helps that. Um so that's know that's we've got a target

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01:34:48,400 --> 01:34:53,600

which continues to go down um from where it starts now. And like I said at the moment as we sit

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01:34:53,600 --> 01:35:01,440

here we're pretty close to that 87 88 um and we continue to go down from there. So it yeah it's a

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01:35:01,440 --> 01:35:06,000

key part of the strategy. Um like I said I always want to do more but we're balancing affordability

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01:35:06,000 --> 01:35:11,360

as well trying to make everything balanced between those factors. Thank you. That's the end of my

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01:35:11,360 --> 01:35:19,920

question. Mr. Hinton do you think your network is resilient would you just on a scale of 1 to 10 or

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01:35:19,920 --> 01:35:26,800

1 to 100 to give you more flexibility where where where is your network? I I can't give you a single

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01:35:26,800 --> 01:35:34,640

number. Um and it's and it's hugely variable. um and and the network this the network itself

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01:35:34,640 --> 01:35:40,240

in terms of the aspect sorry with resp with with respect what I'm asking is your you know just your

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01:35:40,240 --> 01:35:46,640

broad assessment sitting here today as the CEO of the company how resilient on a scale of one to 100

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01:35:46,640 --> 01:35:55,520

with 100 being as resilient could ever possibly be and one being um terrible um where where would

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01:35:55,520 --> 01:36:02,400

you put your your resilience of the network on that scale across across got all the seasons

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01:36:02,400 --> 01:36:09,520

um sitting here today. I mean I won't give you a number because there is it is so many different

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01:36:09,520 --> 01:36:18,000

factors in that number. Uh and that number will be used out of context potentially. Um and I'll tell

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01:36:18,000 --> 01:36:22,720

you why I can't give you a number. So number one

is it's not there's a there's a difference between

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01:36:22,720 --> 01:36:27,520

asset resilience and supply system resilience. So asset resilience is how often do your assets fail

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01:36:27,520 --> 01:36:31,440

and cause disruption to customers. supply system is how much water you've got in the system. So,

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01:36:31,440 --> 01:36:35,120

they're two different things. You can give me two numbers if you like. I'm not going to give you any

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01:36:35,120 --> 01:36:46,560

numbers. Right. Okay. So, um Okay. Um I mean I I read I also read the Ofwat um the Ofwat report

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01:36:46,560 --> 01:36:52,960

um relating to the 2020 to 2023 outages and I've read evidence from the drinking water inspector

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01:36:52,960 --> 01:36:59,280

and I also read your evidence to the environment, food and rural affairs committee. Um and you rated

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01:36:59,280 --> 01:37:05,440

your your company performance or your performance with relation to the company as an 8 out of 10

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01:37:05,440 --> 01:37:11,760

at the you know EFRA committee. Do you stand by that rating today given everything we've

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01:37:11,760 --> 01:37:18,800

we've discussed? I think on that occasion I was convinced to give three numbers. Um and uh and the

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01:37:18,800 --> 01:37:28,240
8 out of 10 related to the the company's response
once the event had happened. And in my answer and

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01:37:28,240 --> 01:37:36,000
in my head was the massive effort my team had put
in place to deliver to priority service customers

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01:37:36,000 --> 01:37:41,200
roundthe-clock incident meetings working on
bottle water stations in the chucking down

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01:37:41,200 --> 01:37:46,400
rain. Um they'd work so hard when someone asked
me a question. And it's one of the reasons I won't

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01:37:46,400 --> 01:37:53,280
give you a number. I sit here as a CEO knowing the
effort my team put in and I gave and that's why I

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01:37:53,280 --> 01:38:01,600
gave the score 8 out of 10 because the support and
the response of my team was amazing. Um it may not

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01:38:01,600 --> 01:38:05,440
have been we may not have delivered everything
as a business we wanted to but that's why I gave

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01:38:05,440 --> 01:38:10,160
8 out of 10. I had in my head those people back
at the back at the ranch who put all that effort

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01:38:10,160 --> 01:38:16,480
in. Understood. And I I I have no doubt that your
team work very hard. Um, but what I said at the

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01:38:16,480 --> 01:38:23,360
head of the meeting was that one of the things,
well, the only thing as a customer of yours I I

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01:38:23,360 --> 01:38:29,120

would care about is that when I turn the tap on that water comes out. So, so effort aside,

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01:38:29,120 --> 01:38:37,200

you know, I'm personally I would be as a customer concerned with results and if the tap doesn't work

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01:38:37,200 --> 01:38:44,720

then then it doesn't matter how much effort has gone into to it. The fact is it doesn't work. So,

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01:38:44,720 --> 01:38:53,440

um, do you think that customers of of yours would would rate you or rate the effort

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01:38:53,440 --> 01:39:00,960

um or the result or whatever you however you choose to frame it as an as an 80% um success? No,

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01:39:00,960 --> 01:39:05,920

I'm sure customers wouldn't rate us, that wasn't the original question. So, the customers would not

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01:39:05,920 --> 01:39:12,960

rate us um as 8 out of 10. We've left them down in the first instance by not supplying water. Um,

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01:39:12,960 --> 01:39:19,440

and as I've spoken to you before, that's very much our key focus. We did provide alternative water to

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01:39:19,440 --> 01:39:26,720

many, but not to everyone. Um, and and we were in the high 90% on our PSR delivery, but I worry

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01:39:26,720 --> 01:39:32,560

about the couple of percent we didn't do. So, they would not give us a good score either. So,

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01:39:32,560 --> 01:39:39,040

yeah. So, I fully understand um that we've let people down and the score would not be high. Um,

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01:39:39,040 --> 01:39:44,800

but it's front of our mind to make sure they don't even have to score about a service they're

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01:39:44,800 --> 01:39:49,280

receiving because they're just receiving it and it's not it's nowhere near front of mind.

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01:39:49,280 --> 01:39:55,280

So supplying water is a is a key focus. It's a sing it's a single key focus. Yeah. Okay,

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01:39:55,280 --> 01:40:02,960

that's that's good. Um, Councillor Cox, please. Yeah. Just uh quickly on on the pipes again though

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01:40:02,960 --> 01:40:10,880

um cuz you won't give a specific uh like yes or no um and I I understand your concerns because

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01:40:10,880 --> 01:40:18,560

wherever you say here people just attack you on it but um would you if you if you had the

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01:40:18,560 --> 01:40:24,960

best the best outcome if you could would you say that you need more investment for your pipes to

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01:40:24,960 --> 01:40:29,280

make sure that you are actually resilient? Do you do you cuz I'm trying to get around to the

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01:40:29,280 --> 01:40:34,000

fact that you you're not you're not willing to really answer the question. Do you do in

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01:40:34,000 --> 01:40:38,560

a in a different scenario in a different kind of guys would you have put more investment in your

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01:40:38,560 --> 01:40:42,240

pipes? Do you feel that the plan that you've got is you dealing with the fact that you've

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01:40:42,240 --> 01:40:49,520

got to deal with the political side of things i.e. the customer um and also uh your you know

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01:40:49,520 --> 01:40:55,760

um your investors. But in an ideal world, do you think that the business is actually working where

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01:40:55,760 --> 01:41:01,920

it should be? Um with with regards to your pipes, do you think that if you if you had your own way,

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01:41:01,920 --> 01:41:06,320

would you have asked for the customers to pay a bit more and also for your shareholders to

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01:41:06,320 --> 01:41:12,720

um maybe forgo any kind of uh any monetary uh aspect to that as well so that you could get

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01:41:12,720 --> 01:41:18,720

the pipes to where they should be so that you can hit your target. I mean that all of us in so I've

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01:41:18,720 --> 01:41:25,840

been working in the water industry for over 25

years and that balance um of public water security

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01:41:25,840 --> 01:41:30,720

the environment which often gets forgotten so when we take more water we're taking it from the

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01:41:30,720 --> 01:41:36,560

environment we're not catching it in a big bucket we are taking it from a river a stream a reservoir

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01:41:36,560 --> 01:41:42,080

and if we do if we do that too much we will harm that environment that's a really important point

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01:41:42,080 --> 01:41:45,440

and then the third really important point is we don't want customers to pay any more than they

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01:41:45,440 --> 01:41:51,120

need to pay for that secure service. So that's that those three things are. So if if I said

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01:41:51,120 --> 01:41:56,080

to an engineer, would you like to spend as much? They'd say yes. But we sit here as sort of leaders

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01:41:56,080 --> 01:42:01,520

in the water industry and policy policy setters in the water industry knowing we got to balance those

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01:42:01,520 --> 01:42:06,640

three issues. And the issue we've had is that climate change has come faster than we wanted

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01:42:06,640 --> 01:42:11,440

it to. We've definitely got some internal things to learn. And what's absolutely not blaming that

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01:42:11,440 --> 01:42:16,000

is the only factor. We've got um as I highlighted in the off report and as you mentioned we've got

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01:42:16,000 --> 01:42:19,520

some things to learn but there's we've got to take all those things together and it's

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01:42:19,520 --> 01:42:24,000

a balancing act. That's what that's what we need to do as policy setters, leaders,

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01:42:24,000 --> 01:42:31,280

regulators um we need to balance all those three things. Thank you. Just I just just want to say

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01:42:31,280 --> 01:42:36,640

that to to your staff. Thank you. Sorry. Could you keep it short because we we're running we're

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01:42:36,640 --> 01:42:40,880

running into for sure. Um, just to your staff, I I completely appreciate the fact that you gave your

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01:42:40,880 --> 01:42:44,320

staff an eight out of 10. They probably did work extremely hard and I don't think we're questioning

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01:42:44,320 --> 01:42:48,880

that. I think we're questioning more actually the whole system as a whole and the uh kind of

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01:42:48,880 --> 01:42:55,040

investment it's had over the years. Thank you, Councillor Grokov. Can we can we keep questions

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01:42:55,040 --> 01:43:04,320

precise so that so that we get all the as much questions as we Morning. Morning. um with the

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01:43:04,320 --> 01:43:15,120

weather extremities that we are having. Um last year the reservoirs are on dry. This year we got

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01:43:15,120 --> 01:43:26,720

plenty of water coming in. The summer's going to be they say hotter than last year. predictions are

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01:43:26,720 --> 01:43:35,280

any do you have any plans to store any excess water or can you that that we get through the rain

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01:43:35,280 --> 01:43:43,120

and that during the winter months and with all the excess building that's going to be coming in line.

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01:43:43,120 --> 01:43:49,680

Um can you supply those extra houses that's coming in with the government with the building down in

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01:43:49,680 --> 01:43:57,040

the southeast? Thank you. Yeah. Yeah. Right. So, I mean on the So, last year just an example, I

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01:43:57,040 --> 01:44:02,800

won't get the year exactly right, but it was a dry spring since 1860 something and it was the hottest

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01:44:02,800 --> 01:44:09,440

summer ever on average. And those two things join together. Uh, and they had the impact of

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01:44:09,440 --> 01:44:16,560

um meaning our Ardingly reservoir got very worryingly low um and then it did really

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01:44:16,560 --> 01:44:24,880

really rain. So we were in a situation where we were about 19% Ardingly about 19% in Ardingly

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01:44:24,880 --> 01:44:31,600

by around beginning of December November and then by about February it full up that's how much rain

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01:44:31,600 --> 01:44:40,880

that we effectively came in storing rainwater um so there's two answers to that so one is um

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01:44:40,880 --> 01:44:47,760

the southeast of England effectively is at at its abstraction maximum so we can't take any more from

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01:44:47,760 --> 01:44:53,520

the environment without harming it and we don't want to do that. Um, none of us want to do that.

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01:44:53,520 --> 01:44:58,960

So, we can't just go and effectively if you bought another if you build a reservoir there's only two

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01:44:58,960 --> 01:45:03,680

there's only two ways you can fill it three ways you can fill it. One is like Ardingly. It

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01:45:03,680 --> 01:45:08,960

naturally fills up by rain which is my favourite sort of reservoir. Um, and then there's another

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01:45:08,960 --> 01:45:14,640

reservoir which you fill up by pumping out of a river into that reservoir when the river is high

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01:45:14,640 --> 01:45:20,240

enough. Um, so there isn't an availability to do either of those in the southeast of England

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01:45:20,240 --> 01:45:24,800

other than the one we're doing in broad oak in Kent. That's the only viable option we've got

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01:45:24,800 --> 01:45:29,280

and Arlington as well which is next door to the existing one. So they're the two options. After

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01:45:29,280 --> 01:45:33,920

that option, the options that and it's not only us, all the companies in the southeast have got

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01:45:33,920 --> 01:45:40,560

are uh desalination mainly because we can't take any more from the environment. So storing water

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01:45:40,560 --> 01:45:44,720

on the second point of storing water and it's something I'm really keen on. And I've got a team

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01:45:44,720 --> 01:45:51,920

working with customers and stakeholders on this is locally stored water. So storing water on farms

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01:45:51,920 --> 01:45:58,160

is a big one. Um there's lots of water that's lost on farms into our river into the use potentially

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01:45:58,160 --> 01:46:04,080

that could be trapped and used for crop irrigation in the high summers. Equally, I'm a big fan of

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01:46:04,080 --> 01:46:10,880

water butts. Um I've got a ginormous one in my garden and they allow you to obviously water in

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01:46:10,880 --> 01:46:15,440

dry periods um when it when if you capture the

rain in the winter and I think it's something

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01:46:15,440 --> 01:46:20,480

that the UK sort of the UK really keen on the UK getting more involved in thinking about water as

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01:46:20,480 --> 01:46:26,720

it becomes more and more scarce local storage. So so that that's that's the issues we got there.

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01:46:26,720 --> 01:46:31,040

There aren't a lot of water options left in the southeast of England because of the because of the

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01:46:31,040 --> 01:46:38,480

abstraction that's gone over many many decades. I think that answered thank thank you Mr. Hinton. I

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01:46:38,480 --> 01:46:45,200

think um there was a further question from from Councillor Grotkott. If I could just take his

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01:46:45,200 --> 01:46:50,160

question and rephrase it slightly. Your w your current water resource management plan. Oh the

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01:46:50,160 --> 01:46:57,520

housing. Yes. Are you is based on on housing figures from what date please? And then um are

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01:46:57,520 --> 01:47:07,360

you confident that the anticipated housing growth in the region that you supply and specifically um

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01:47:07,360 --> 01:47:16,160

Wen um you know are you confident that that level of housing growth can be met by your business in

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01:47:16,160 --> 01:47:21,680

the future? So it was and that would be a yes or no question by the way. Oh I don't think it is. I

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01:47:21,680 --> 01:47:27,360

don't think I do those. It goes to the confidence of your it goes to the you know you assess risk

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01:47:27,360 --> 01:47:34,880

you know we know what the housing figures are likely to be um and you know I appreciate you're

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01:47:34,880 --> 01:47:39,520

not a statutory consultee but I'm asking for your assessment on as to whether or not you are capable

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01:47:39,520 --> 01:47:46,160

of supplying the anticipated housing growth in in this region because we spent most of the

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01:47:46,160 --> 01:47:53,200

meeting talking about um water water stress and your you know the failures up to this point and

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01:47:53,200 --> 01:47:59,680

we're talk you know and if you look at the housing anticipated growth it's it's quite significant. So

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01:47:59,680 --> 01:48:05,920

is your infrastructure going to be able to be to meet that housing growth either as it exists today

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01:48:05,920 --> 01:48:11,680

or on your anticipated infrastructural buildout over the next few years? So our plan as to as it

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01:48:11,680 --> 01:48:18,400

exists today is yes that's what our plan delivers in term we've only recently seen the um and how

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01:48:18,400 --> 01:48:23,280

they distributed the housing figure increases
across our period across our patch we've written

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01:48:23,280 --> 01:48:30,080

to you on your consultation I think we sent it in
middle of last week so and our position in that is

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01:48:30,080 --> 01:48:38,560

um we've planned to meet the forecast we had in
2019 um and we need to talk to planners government

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01:48:38,560 --> 01:48:43,680

local authorities regulator is about how we need
to potentially adapt that plan to meet the extra

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01:48:43,680 --> 01:48:48,960

houses going forward and that's very much part
of the dialogue. Um because effectively the

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01:48:48,960 --> 01:48:54,480

plan's changed and we need to look at the plan. Um
that's that. So I can't commit yes or no because

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01:48:54,480 --> 01:48:59,200

we've got to work through that position. Okay.
I'll I'll phrase it I'll phrase it slightly

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01:48:59,200 --> 01:49:07,200

differently. Are you confident that that under the
stewardship that you provide Southeast Water that

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01:49:07,200 --> 01:49:15,360

you'll be able to meet anticipated future housing
growth demand? And I'll give you the same answer.

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01:49:15,360 --> 01:49:21,600

Ive we've got to sit down and say how's that growth how's that planning growth going to be

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01:49:21,600 --> 01:49:27,040

delivered? What are the housing stocks like? Um what what are we we talked to environment agency

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01:49:27,040 --> 01:49:35,600

about abstraction? There's lots of there's not I'm afraid it isn't a yes no answer. It's it depends.

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01:49:35,600 --> 01:49:41,920

Right. It it okay that that's I have to say that's not particularly inspiring but I will I will move

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01:49:41,920 --> 01:49:47,920

on to Councillor Coleman please. Thank you. And it's kind of related to that because um obviously

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01:49:47,920 --> 01:49:54,640

you wrote to Tumbridge and Mauling saying with your current W um MP your water management plan

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01:49:54,640 --> 01:50:00,240

24 that you wouldn't be able to meet um a third of the new housing projected and I understand

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01:50:00,240 --> 01:50:06,160

that you're going to be updating that uh for the water management plan 29 but that doesn't start

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01:50:06,160 --> 01:50:14,080

until 28. So there's a significant gap between now where you are unable to meet the projected

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01:50:14,080 --> 01:50:19,280

um increase and the work that you're going to be doing in that time. And I just want to

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01:50:19,280 --> 01:50:24,080

um just ask you really about the the water zones, the water resource zones that cover

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01:50:24,080 --> 01:50:31,280

Wielen area. Um there are three. Um one of them says there's a substantial deficit,

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01:50:31,280 --> 01:50:37,200

not just a thin margin. I think that's water zone 2, which is the Heathfield, Hor Mayfield area.

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01:50:37,200 --> 01:50:44,560

Then the water zone 8 Halam and Polen stone cross that's got um deficits above above the planned

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01:50:44,560 --> 01:50:51,920

headroom. And then the water zone four which is Crowborough Oakfield and forest row um which has

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01:50:51,920 --> 01:50:57,120

got um is being currently kept in balance because of the abstraction but it's going to have serious

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01:50:57,120 --> 01:51:04,800

issues once that unplanned abstraction comes to an end. So I just don't understand how you can

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01:51:04,800 --> 01:51:11,200

given your track record how you can say that you will be able to meet the statutory demand with

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01:51:11,200 --> 01:51:15,680

any level of confidence particularly given that you say you're you're not particularly good at

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01:51:15,680 --> 01:51:21,520

predicting the future. I mean climate change has

been predicted since 1840 but uh I know it's you

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01:51:21,520 --> 01:51:31,120

know an increasing issue. Um, and yeah, I'm I'm just really concerned um and would like to know

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01:51:31,120 --> 01:51:40,480

how you reconcile these irreconcilable facts. So, the WRP that um we created in and effectively came

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01:51:40,480 --> 01:51:47,120

into force in 2020 um is is created on those same things I said earlier. So, it's a forecast

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01:51:47,120 --> 01:51:52,880

of demand. It's forecasting reducing leakage. It's forecasting reducing demand. And it's forecasting

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01:51:52,880 --> 01:52:00,480

housing growth and and changes to positive increases in demand. And that plan balances um

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01:52:00,480 --> 01:52:08,000

and that plan is the one we're um working towards now. The housing growth numbers weren't in that

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01:52:08,000 --> 01:52:15,920

plan. So we now need to assess those on a case by case location basis to see if we can accommodate

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01:52:15,920 --> 01:52:24,400

those. Um and not just by accom we can make but changes we can make maybe to abstraction changes

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01:52:24,400 --> 01:52:30,560

may maybe we can make to pol housing growth policy housing growth stock those kind of issues. So the

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01:52:30,560 --> 01:52:37,920
plan we created for 2020 uh in 20 for starting
in 2020 was is designed to meet that balance.

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01:52:38,960 --> 01:52:42,320
Thank you. I mean, you've talked about a number
of pressures. Obviously, climate change being one

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01:52:42,320 --> 01:52:49,360
of them, changes in weather patterns, leakages
being another issue, uh raw water turbidity, all

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01:52:49,360 --> 01:52:54,560
the rest of it. But I'm quite concerned about the
quality of the water that's um going the raw water

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01:52:54,560 --> 01:53:01,120
that's going in terms of pharmaceuticals, PAS,
you know, forever chemicals, microplastics, and

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01:53:01,120 --> 01:53:06,880
all that kind of stuff. Um, I know that after the
last out, we've talked a lot about water outages,

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01:53:06,880 --> 01:53:12,640
but we haven't talked about the boil water notices
so much. Um, and GPS did report higher incidents

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01:53:12,640 --> 01:53:18,960
of gastric issues with infants around the,
you know, just after the water outages. Um,

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01:53:18,960 --> 01:53:24,320
another resident talked about the fact that they
had to run their tap for many hours before the

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01:53:24,320 --> 01:53:30,800
the dirt in the their taps um, stopped flowing.
And obviously that was part of your advice to run

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01:53:30,800 --> 01:53:35,200

the taps, but obviously that comes if they're on a meter, they're having to pay for that as well. Um,

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01:53:35,200 --> 01:53:40,160

so there are lots of concerns about kind of the quality of the water and how does that

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01:53:40,160 --> 01:53:45,920

impact your plans going forward as well. It's not just about straight supply, it's about what we're

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01:53:45,920 --> 01:53:53,280

actually drinking and consuming. Thank you. So that is um so that is my background. So

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01:53:53,280 --> 01:54:01,120

I spent 15 years in water quality. started in a lab at Southeast Water in 1994. Um, and you know,

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01:54:01,120 --> 01:54:06,800

we take water qual quality unbelievably seriously. Not only in Southeast Water, we've actually got

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01:54:06,800 --> 01:54:12,880

some of the best water quality in the whole world in the UK. The regulations are designed which mean

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01:54:12,880 --> 01:54:17,120

you we can't allow water to leave the treatment works unless it meets the standard. That's

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01:54:17,120 --> 01:54:24,400

effectively what impacted Tumbridge Wales is we were stopping the uh plant pumping water out that

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01:54:24,400 --> 01:54:30,800

that um that was no longer meeting the drinking water requirements. The board water decision

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01:54:30,800 --> 01:54:36,160

um was a decision that was effectively a health-based decision based on people need to

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01:54:36,160 --> 01:54:43,440

be able to do things like flush the toilet um and you know take a shower, use the washing machine.

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01:54:43,440 --> 01:54:50,000

um we've seen no collaborated um evidence of anything to do with that and the and we tested

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01:54:50,000 --> 01:54:54,080

the water as well. So we were testing the final water. We didn't find anything in the samples

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01:54:54,080 --> 01:54:59,200

we took out in the district. Um we were failing a water quality standard in the treatment works

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01:54:59,200 --> 01:55:03,360

but the water was still going through the disinfection process. It was still coming

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01:55:03,360 --> 01:55:08,720

out the side and we were still sampling it and in the district in the area it was passing all

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01:55:08,720 --> 01:55:13,440

the water quality standards in the area. wasn't passing on the treatment works and that was again

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01:55:13,440 --> 01:55:18,320

a risk based decision about continually having no water whatsoever versus drinking water. So

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01:55:18,320 --> 01:55:23,680

water quality is absolutely a priority is baked in to how everything works. We we cannot pump

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01:55:23,680 --> 01:55:29,440

water that does not comply. the treatment works turns itself off um and yeah so that's that's

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01:55:29,440 --> 01:55:36,000

fundamental and climate change is is going to challenge that to an extent um going forward but

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01:55:36,000 --> 01:55:44,000

we we've always adapted in that area um and put in new treatment steps new processes um at the break

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01:55:44,000 --> 01:55:48,560

my colleagues reminded me of a scheme which I've forgot to mention when I was talking about the

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01:55:48,560 --> 01:55:54,160

area which is we are improving the water quality ability of Barkham to deal with algae for example

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01:55:54,880 --> 01:56:00,080

So we'll be able to go up to I hope you remember the numbers from earlier but that that allows us

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01:56:00,080 --> 01:56:05,120

to go up to over 500 into you which we haven't seen before the stream works. So that's a scheme

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01:56:05,120 --> 01:56:12,160

that's that's will start in this period and and will be completed about 2031 2032. So that's our

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01:56:12,160 --> 01:56:18,640

response to knowing that climate change impacts

raw water. Um and that's what we so we are looking

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01:56:18,640 --> 01:56:23,760

at how it's a risk it's a risk framework we need to consider. So climate change impacts raw water.

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01:56:23,760 --> 01:56:30,080

impacts demand impacts this Mr. Hinton sorry I I'm there's you're giving a lot of information

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01:56:30,080 --> 01:56:35,680

here um and I what I'm taking from this relative to Councillor Coleman's question is you take

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01:56:35,680 --> 01:56:41,440

drinking water quality very seriously um that's good because that's what that's what I was saying

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01:56:41,440 --> 01:56:48,800

yeah exactly so can I mean given that is are there specific points that Mr. Hinton hasn't

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01:56:48,800 --> 01:56:54,640

answered Councillor Coleman and because I I'm I'm conscious that we can get lost in the detail and

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01:56:54,640 --> 01:57:00,720

I want to make sure that the fundamental points are answered. I mean I would like to know a bit

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01:57:00,720 --> 01:57:04,960

about PAS because every single human body is full of it and and you know a human placenta

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01:57:04,960 --> 01:57:10,240

is full of it. So um and that's only 9 months old. So how is it getting into our bodies if

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01:57:10,240 --> 01:57:16,000

you're drinking water? I'm not just saying yours, but drinking water is so contaminated. You know,

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01:57:16,000 --> 01:57:21,600

how are we so contaminated if it's not from your water? I mean, and PAS is is is an issue

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01:57:21,600 --> 01:57:26,960

that the So, we're regulated by the drinking water inspector. They're a key water quality regulator.

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01:57:26,960 --> 01:57:31,280

They set the regulations. They're responsible for the for the really excellent water quality

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01:57:31,280 --> 01:57:36,240

in the UK. They've been doing that for a number of decades now. And PAS is one of the things the UK

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01:57:36,240 --> 01:57:42,160

is monitoring closely. Um and where necessary it's putting it putting treatment in place. We've got

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01:57:42,160 --> 01:57:50,080

a big monitoring framework that's just about to start on PAS across our area. Um and yeah and it's

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01:57:50,080 --> 01:57:54,240

and we will respond to whatever the the drinking water spectra advised we need to do in that

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01:57:54,240 --> 01:58:00,560

area. Um yeah it's that is an example of emerging risks. We've had them in the past. We had emerging

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01:58:00,560 --> 01:58:05,440

risks with pesticides in the '9s and we put in treatment to reduce and to take the pesticides

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01:58:05,440 --> 01:58:09,680

out of the water and we got that a number of our treatment works. The UK will react to that

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01:58:09,680 --> 01:58:15,360

um when we understand the full extent of the PAS issue. So, so again I'm I'm I'm taking from

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01:58:15,360 --> 01:58:22,960

this that um the company is aware of of of the issue but I think fundamentally the question is

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01:58:22,960 --> 01:58:29,280

um you know are they aware and uh are they going to be compliant with the standard set by

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01:58:29,280 --> 01:58:34,400

the drinking water inspector which is ultimately the the the body that that regulates it. I mean,

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01:58:34,400 --> 01:58:40,320

I I personally I bought a reverse osmosis machine the other day because I wanted to make sure that

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01:58:40,320 --> 01:58:45,440

the water I was drinking was absolutely brilliant. But but you know, we're we're

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01:58:45,440 --> 01:58:50,720

talking about supplies to hundreds of thousands of people. So, I think I think Mr. Hinton's answered

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01:58:50,720 --> 01:58:56,640

the question as far as that that goes. And post the meeting, if people want to people want to

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01:58:56,640 --> 01:59:01,760

send further questions to to to Southeast Water,
I'm sure that they can provide us with written

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01:59:01,760 --> 01:59:07,680

responses. But in the interest of time, um I'd
like to move us on. Um so I've got Councillor Owen

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01:59:07,680 --> 01:59:17,120

Williams here and then Councillor Lun. Thank you.
Thank you. Um yeah. Um everybody says um we need

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01:59:17,120 --> 01:59:21,440

more reservoirs. Um we can't keep up. It takes
years to build them, get planning permission, all

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01:59:21,440 --> 01:59:26,240

that sort of stuff. And that's kind of the the the
commonly held view. But from what you're saying,

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01:59:26,240 --> 01:59:30,240

it wouldn't help. it would make a difference
because they wouldn't be drawing any water because

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01:59:30,240 --> 01:59:37,120

there is no more fresh water to feed them and this
is this is news to me um maybe to other people. So

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01:59:37,120 --> 01:59:44,000

that sort of information does what is the method
that that feeds into the people in government who

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01:59:44,000 --> 01:59:50,080

send us the figures of how many houses expect us
to build right across the southeast because as

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01:59:50,080 --> 01:59:54,960

we keep saying you know to all the members of the
public who blame us for everything you know we get

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01:59:54,960 --> 01:59:59,600

a starting point and we try to make the best of it but ultimately it starts with government. So,

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01:59:59,600 --> 02:00:06,480

how does that how does that information feed from you who clearly is on on it um to the people who

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02:00:06,480 --> 02:00:14,480

make those decisions? Thanks. So, just to clarify um so a reservoir is handy because it stores water

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02:00:14,480 --> 02:00:19,440

all year round. So, it's so handy to have there as a storage system. So, so as an example, we

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02:00:19,440 --> 02:00:24,240

can take water from our reservoir when the river is really low and leave the river alone. So, it

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02:00:24,240 --> 02:00:31,600

it's a time buffer as well as a as a storage. So we could fill reservoirs from desalination plants.

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02:00:31,600 --> 02:00:38,320

Uh and that in fact that goes on in Jersey I'm aware. Um so you can take desalinated water and

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02:00:38,320 --> 02:00:47,360

fill a surf a surface reservoir. Um so and and in terms of how do we make sure that people are aware

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02:00:47,360 --> 02:00:53,120

of those and and no so I will add that that's the southeast of England is quite is relative unique

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02:00:53,120 --> 02:00:58,240

in how tight the water system is. So they so so

the so the other reservoirs that are talked about

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02:00:58,240 --> 02:01:05,200

around the country are being fed from existing um environmental sources um without harming them and

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02:01:05,200 --> 02:01:10,560

at least that's that's certainly absolutely the primary planning purpose and our broad ones the

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02:01:10,560 --> 02:01:15,680

same but we are getting there they're few and far between Arlington's last reservoir that we've got

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02:01:15,680 --> 02:01:22,000

in the planning horizon so um after that those those diesel ones in terms of discussions with

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02:01:22,000 --> 02:01:28,560

government and policy setting um as an industry and at an individual level we do meet with

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02:01:28,560 --> 02:01:33,920

um DERA regulators are primarily the source to the government so we talk to the regulators

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02:01:33,920 --> 02:01:39,200

they plan these issues off what the environment agency natural England DWI had been the four key

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02:01:39,200 --> 02:01:44,640

regulators um who've got a direct line into DEFA so they discuss these kind of planning issues and

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02:01:44,640 --> 02:01:50,320

they create the planning framework with the understanding of um in part from information

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02:01:50,320 --> 02:01:55,680
they've gathered from the water industry so um and
That's how they set the frameworks that exist as

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02:01:55,680 --> 02:02:00,080
well as now the individual roles those individual
agencies have got. So the environment agencies

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02:02:00,080 --> 02:02:05,680
clearly environment focused uh and they use that
they use that kind of focus to feed into DEFRA

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02:02:05,680 --> 02:02:10,880
and other parts of government. So that's that's
the mechanism. Okay. So a very quick follow up. I

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02:02:10,880 --> 02:02:17,680
mean desalinisation or salinisation is sort
of thing you associate with um hot countries

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02:02:17,680 --> 02:02:23,200
deserts that sort of thing. It's it's quite
something to imagine somewhere that's like 50

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02:02:23,200 --> 02:02:30,240
100 miles away from the sea is having to get its
water from the sea. That's I'm surprised. Um but

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02:02:30,240 --> 02:02:38,240
um is that practical? I mean it must cost a
fortune, be very un uh inefficient energy wise.

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02:02:38,240 --> 02:02:45,200
Um is that a serious solution to anything or is it
just all you've got with what they give you to do?

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02:02:45,200 --> 02:02:49,920
Well, it was always an it's been an option and
something we could do I think for I can remember

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02:02:49,920 --> 02:02:56,480

at least 15 maybe 20 years maybe longer cuz um
T's water have got a desalination plant on the on

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02:02:56,480 --> 02:03:02,320

the estuary of Thames which they they use they use
it infrequently so it's that's been there a while

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02:03:02,320 --> 02:03:07,600

um and you're quite right that it happens a lot
in hot countries um and the reason we haven't

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02:03:07,600 --> 02:03:13,920

adopted it till now is because it's very very
power hungry very very carbon inefficient and

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02:03:13,920 --> 02:03:18,000

there have been alternative options. So a number
of those things have changed. So one is there

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02:03:18,000 --> 02:03:23,040

aren't many alternative options and the other one
is the as the network the electricity network gets

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02:03:23,040 --> 02:03:29,760

greener the um the effectively the you know the
carbon impact of the desalination goes down. Um

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02:03:29,760 --> 02:03:36,000

it still has other issues like disposal of salt um
and other such issues but it it's a genuine viable

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02:03:36,000 --> 02:03:43,840

option. A number of companies plans particularly
in the southeast. Thank you. Thank you very much.

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02:03:43,840 --> 02:03:51,520

And then um Councillor Lan please. Thank you.
Um and before I start I just say uh I did give

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02:03:51,520 --> 02:03:56,000

Mr. Hinton uh a little bit of advanced notice.
I was going to ask this question. So hopefully

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02:03:56,000 --> 02:04:02,400

he's being briefed by his colleagues. So, um,
Southeast Water responded to the draft local

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02:04:02,400 --> 02:04:08,320

plan of the Tumbridge and Mauling Borough Council
to warn the council that it could only guarantee

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02:04:08,320 --> 02:04:17,200

sufficient supplies of clean drinking water to
meet 1/3 of the 19,746 new homes being demanded

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02:04:17,200 --> 02:04:26,320

by the government uh within the Borough up to
2042. Obviously that's a concern and Wen abuts

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02:04:26,320 --> 02:04:33,680

that area and uh we've got some counselors in
the audience behind you who represent some of

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02:04:33,680 --> 02:04:42,960

the northern parishes that are but the Tumbridge
Wales uh mauling area um where there's up to 3,000

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02:04:42,960 --> 02:04:49,440

homes being planned literally on the Tumbridge
Wales border uh around the Fran in the Frank

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02:04:49,440 --> 02:04:55,200

Parish and I would like to know specifically
do you think that you will be able to meet

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02:04:55,200 --> 02:05:01,680

that demand or is that part of your calculations linked to the constraints that you've responded

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02:05:01,680 --> 02:05:07,040

to the Tumbridge and Mauling Borough Council because it's effectively on the same network

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02:05:07,040 --> 02:05:12,960

uh and whether it will have a direct impact on the housing delivery for that and a secondary question

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02:05:12,960 --> 02:05:19,760

given your previous response um to Councillor Grocco um which I thought was with the greatest

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02:05:19,760 --> 02:05:25,440

respect a little bit wishy wash in a kind of kind of yes, we need to evaluate it in terms of housing

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02:05:25,440 --> 02:05:34,240

delivery. I think your response to our regulation 18 consultation needs to be made available to this

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02:05:34,240 --> 02:05:41,440

committee even if it's in confidence so that we fully understand your response because the

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02:05:41,440 --> 02:05:46,960

response you've given us here verbally doesn't give us sufficient detail to understand the

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02:05:46,960 --> 02:05:54,080

constraints that you're referring to. Um, just before, sorry, Mr. Hinton, just before you answer,

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02:05:54,080 --> 02:05:58,400

I noticed that Mr. Bending pulled his microphone a

little bit closer to himself and I just wanted to

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02:05:58,400 --> 02:06:04,560

make sure he wasn't he didn't want to say anything in respect of that question. Well, I only took on

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02:06:04,560 --> 02:06:09,520

that last point, I suppose. So, yes, council. So, not in confidence at all. So, so Southeast Waters

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02:06:09,520 --> 02:06:14,000

response to the local plan like all responses to the local plan will be public documents. They will

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02:06:14,000 --> 02:06:19,840

go on our website. the team are in the process of of kind of collecting those responses uh and

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02:06:19,840 --> 02:06:24,240

publishing them. So yes, absolutely we can make it available to the committee and it'll be available

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02:06:24,240 --> 02:06:28,800

um to the wider public. I think it's important the only other thing I wanted to say I think it's

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02:06:28,800 --> 02:06:36,080

important to make sure we focusing on on Wen and not get into a conversation around what all what

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02:06:36,080 --> 02:06:40,880

southeast water said to Mauling. There's been a lot of inaccurate reporting in relation to the

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02:06:40,880 --> 02:06:46,800

response southeast water provided to Morning. I'm not going to let's not go there. We have a

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02:06:46,800 --> 02:06:52,080
response from Southeast Water in relation to our
local plan. Um and we've heard Mr. Hinton already

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02:06:52,080 --> 02:06:56,720
talk about it. Final thought from a kind of the
kind of local planning authority perspective. I

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02:06:56,720 --> 02:07:03,600
suppose it's just really worth remembering that
that plans iterate and in my words um what Minton

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02:07:03,600 --> 02:07:07,760
was saying earlier and certainly from a planning
perspective is that the plans are being updated

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02:07:07,760 --> 02:07:12,400
on a regular basis. What will often happen with
those things is that those plans are they talk to

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02:07:12,400 --> 02:07:16,720
each other but they're not done at the same time.
So there will often be a slight disconnect while

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02:07:16,720 --> 02:07:21,680
one plan catches up with the other. Um that's
totally fine. That's totally part of the normal

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02:07:21,680 --> 02:07:26,000
process. Southeast Water can't do their planning
at the same time as every planning authority in

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02:07:26,000 --> 02:07:29,680
their region does that. That would be uh that
would be wrong. That wouldn't that wouldn't just

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02:07:29,680 --> 02:07:34,960
simply wouldn't work for all the reasons you'll
understand as members. Um that's okay. And and

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02:07:34,960 --> 02:07:38,320

you might take away from that that there could be a disconnect. there could be a little delay

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02:07:38,320 --> 02:07:43,520

and and that might that might make some people nervous and that's understandable but and it's a

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02:07:43,520 --> 02:07:48,800

really important point any local plan any water resource management plan is not a plan for the

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02:07:48,800 --> 02:07:56,080

next year or the or the year after it's a plan for 15 years um 20 years 25 years these are long-term

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02:07:56,080 --> 02:08:02,320

plans so a year or so while we kind of recalibrate plans and work with each other to update things is

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02:08:02,320 --> 02:08:07,360

almost inconsequential to the end point the houses that we're planning that will require that extra

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02:08:07,360 --> 02:08:12,480

new capacity of water will be delivered in 10, 15, 20 years time. Um they're not something we

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02:08:12,480 --> 02:08:16,720

should be worrying about a shortfall over the next kind of 12, 18, 24 months. I just think

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02:08:16,720 --> 02:08:20,800

that's really important point to get in our mind's eye that these are long-term things.

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02:08:20,800 --> 02:08:25,280

Thank you. Thank you for that, Mr. Benning. Mr. Chairman, can I just make a quick intervention?

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02:08:25,280 --> 02:08:32,880

My thank you through you, chair to Mr. Benning's response, but my question was about the network

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02:08:32,880 --> 02:08:38,880

uh not necessarily um the the the uh issue of the management of the local plans. It was the

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02:08:38,880 --> 02:08:45,520

network because to me understanding and listening to the representatives here from Southeast Water.

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02:08:45,520 --> 02:08:51,680

It's not like Southeast Water pipe work suddenly stops at the border and then you know it reverses

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02:08:51,680 --> 02:08:55,920

back to the bulk treatment works. it it you know there's there's got to be a network that crosses

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02:08:55,920 --> 02:09:02,880

those borders and I'm trying to understand what is the constraints around the network where water is

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02:09:02,880 --> 02:09:08,960

crossing over political boundaries. I I think that's I think that's abundantly clear in the

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02:09:08,960 --> 02:09:16,400

framing of your question. I I'm I I appreciate um Mr. Bending's sort of intervention there, but if I

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02:09:16,400 --> 02:09:24,880

could pass it back to Mr. Hinton to answer the the substantive point about uh raised by by Councillor

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02:09:24,880 --> 02:09:31,840

L. Yeah. And if and in our response which will be shared um we effectively reiterate reiterated

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02:09:31,840 --> 02:09:38,000

what I said earlier. So we have a plan. It plans to deliver the number that we that you had in your

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02:09:38,000 --> 02:09:46,240

plan at the time we did our plan. Um, and so we are now effectively looking at the the the the

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02:09:46,240 --> 02:09:50,800

plan you generate for extra housing and seeing if our plan can be adapted to be able to cope

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02:09:50,800 --> 02:09:56,240

with the the the new forecast. And it's too early for us to be able to say definitely what that is,

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02:09:56,240 --> 02:10:02,560

but it does need a lot of dialogue between the between the h the housing stock type is like an

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02:10:02,560 --> 02:10:08,080

absolute key number exactly where on the lo on the network's another absolute key number. So there's

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02:10:08,080 --> 02:10:13,840

a lot we don't know to be answer yes or no. It's and the dialogue needs to continue like I said

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02:10:13,840 --> 02:10:18,320

and nationally this dialogue is going on with all the regulators as well about can any more water be

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02:10:18,320 --> 02:10:25,280

made available um etc. So it is a it is a live

issue and in every area in our southeast water

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02:10:25,280 --> 02:10:29,760

area and it's a live issue across the country. Um so there's lots of people getting together trying

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02:10:29,760 --> 02:10:36,960

to work out the most efficient uh and effective way of being able to achieve that housing growth.

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02:10:36,960 --> 02:10:43,840

Um, thank you. So, I I have I have two more questions personally and then um I know that there

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02:10:43,840 --> 02:10:50,000

are I can see uh Councillor White, Councillor Collins, and Councillor Kevin Benton online and

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02:10:50,000 --> 02:10:54,960

you have a couple of counselors behind you, Mr. Hinton. So, with your with your uh indulgence,

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02:10:54,960 --> 02:11:00,560

I'm going to ask my questions, pass over to them, and I think then at that point, we'll be done and

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02:11:00,560 --> 02:11:06,560

and we can say um thank you very much. But um I think it's worth doing so that we don't have to

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02:11:06,560 --> 02:11:13,440

bring you back to answer further questions which could reasonably be asked now. Um so I Mr. Mr.

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02:11:13,440 --> 02:11:19,920

Hall is that I'm trying to read the you're the head of water supply in Sussex. Is that right?

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02:11:19,920 --> 02:11:27,840

Yes, that's correct. Yes. So Mr. Hinton mentioned smart smart metering of water. Um and if I could

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02:11:27,840 --> 02:11:34,320

just ask you a question actually. So I'm I'm aware of a of a resident and this is a this goes to the

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02:11:34,320 --> 02:11:42,000

leakage point um and how to what extent uh leakage could be avoided but I am aware of a resident in

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02:11:42,000 --> 02:11:51,760

uh my ward who uh identified a leak and reported it to yourselves. Um to your credit you did send

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02:11:51,760 --> 02:12:00,640

someone out. um they they alleged that the leak was uh associated with that resident's household

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02:12:00,640 --> 02:12:06,320

um rather than your infrastructure. Um but the point of the leak was not identified and

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02:12:06,320 --> 02:12:15,920

it continued to leak. Um at the frustratingly that resident then had to fix the leak himself.

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02:12:15,920 --> 02:12:22,160

Um the leak was actually your infrastructure. It was a valve at the back of your meter box.

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02:12:22,160 --> 02:12:27,040

So what had happened was water was flowing into the gentleman's house um going through the meter

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02:12:27,040 --> 02:12:33,760

but also leaking out of the valve that connects the the box to the to the uh to the to the house.

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02:12:33,760 --> 02:12:40,560

Um, and at the point the leak was fixed, the gentleman received a bill for £35,000 because over

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02:12:40,560 --> 02:12:48,240

the 12 to 18 months that the leak was not fixed by Southeast Water, 10 years worth of water supply

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02:12:48,240 --> 02:12:55,200

to an average property leaked out of that valve. And I I personally think that's that's completely

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02:12:55,200 --> 02:13:02,720

unacceptable. So, you know, I I would just ask for your comment really on do are you aware of similar

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02:13:02,720 --> 02:13:08,080

instances and what would what are you going to do to make sure that when leaks are identified,

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02:13:08,080 --> 02:13:13,360

they are fixed either by yourselves? I mean, I know the gentleman invited Southeast Water

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02:13:13,360 --> 02:13:19,440

to fix the leak and said, "If it's me and I'm wrong, um, charge me for it." Um, but that didn't

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02:13:19,440 --> 02:13:25,760

happen. and you sent contractors out twice and and both times they didn't even attempt to identify

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02:13:25,760 --> 02:13:32,480

the point the point of the leak. So I appreciate it's an antidote. I can assure you it is true but

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02:13:32,480 --> 02:13:40,400

um you know that that gives me serious cause for concern with respect to you know water supply.

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02:13:40,400 --> 02:13:45,760

Yeah. Hi. Thank you. So yeah, I'm not aware of any other situations um like that. And I think

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02:13:45,760 --> 02:13:51,600

what I would ask a bit like David touched on is that maybe we could have those details um so I

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02:13:51,600 --> 02:13:56,640

could look into it a bit further. I'm not going to have all the information on specific leaks per

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02:13:56,640 --> 02:14:02,000

customer. So if that information is available, we can certainly have a look in into that and and get

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02:14:02,000 --> 02:14:05,920

response back. But I'm not aware of any other situations, but I would like more information

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02:14:05,920 --> 02:14:12,880

if possible. Okay. Thank you. I'll I'll attempt to get that for you. And just on that case study, um,

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02:14:12,880 --> 02:14:17,840

we we there's always work to do with the customers quite often aren't aware that past the meter,

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02:14:17,840 --> 02:14:23,920

it's their pipe, pre the meter, it's our pipe, comp pipe, and supply pipe difference. And and

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02:14:23,920 --> 02:14:27,600

and if you do end up with a leak, even if it's on your supply pipe that runs for a continuous

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02:14:27,600 --> 02:14:33,600

amount of time, the bill's high, we do provide
a leak allowance rebate. Um, so that that isn't

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02:14:33,600 --> 02:14:40,080

that cost would not be bared by the the customer.
Um and and we also provide advice normally on how

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02:14:40,080 --> 02:14:45,760

to find so we'll look at this case as Rob said
on how to find um someone who might be available

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02:14:45,760 --> 02:14:51,520

to do that repair. Um and we sometimes do them
ourselves but it's generally generally we advise

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02:14:51,520 --> 02:14:56,880

the customer how to do the repair on their side.
But that's that's the that's that's often the

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02:14:56,880 --> 02:15:00,880

confusion is between who owns what and as you
rightly pointed out the customer worked it out.

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02:15:00,880 --> 02:15:06,880

But that's just a point of clarity on that kind of
that can happen. Understood. Thank thank you. Um,

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02:15:06,880 --> 02:15:14,800

so my last question that I have is is on um
funding really. Um, I think I understand the

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02:15:14,800 --> 02:15:21,440

way your business is is funded. Um, but I'd like
to to understand it's a highly leveraged business.

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02:15:21,440 --> 02:15:26,800

I don't know if you know off the top of your

head how how leveraged you are in terms of debt

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02:15:26,800 --> 02:15:35,680

to equity, but you know, one thing that concerns a lot of people is money flowing out of the business

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02:15:35,680 --> 02:15:42,080

um and not being reinvested in infrastructure. So to the extent that you're able to answer it,

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02:15:42,080 --> 02:15:49,680

could you could you give me some context as to how much money has flowed out of the business

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02:15:49,680 --> 02:15:58,880

relative to um relative to the uh the investment that is made in the in the infrastructure and I

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02:15:58,880 --> 02:16:04,160

appreciate you're operating within a sort of regulated capital value framework and and there

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02:16:04,160 --> 02:16:11,760

are regulated rates of return etc. But just for the sake of um clarity, if you could answer that

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02:16:11,760 --> 02:16:18,320

specific question around how much money has gone out to service debt versus being reinvested in the

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02:16:18,320 --> 02:16:22,160

business. And I think you answer you've already answered probably the dividend point, but if

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02:16:22,160 --> 02:16:28,560

there's any other distributions to shareholders or um any other fi you know distributions to

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02:16:28,560 --> 02:16:36,240
financing mechanisms that have that are you know
complex um I think some clarity around that would

1374
02:16:36,240 --> 02:16:43,840
be appreciated. Yes. So we're 65% geared. So
um which is broadly the average gearing for

1375
02:16:43,840 --> 02:16:47,760
the UK water industry. You're right to say we
were more highly leveraged than that before.

1376
02:16:48,399 --> 02:16:53,920
Uh and we've last year the shareholders put
250 million of equity into the business which

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02:16:53,920 --> 02:17:02,240
in effect reduced the greed the balance of equity
and debt. So we're now 65% geared. Um if I might

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02:17:02,240 --> 02:17:09,359
just tackle if you Google Southeast Water and
dividends you get £125 million of dividend paid

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02:17:09,359 --> 02:17:13,679
more than the infrastructure that was invested
in the company. It was a Financial Times article.

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02:17:13,680 --> 02:17:16,640
It's come up loads of time. I think I've been
asked about 10 times about that direct number.

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02:17:16,640 --> 02:17:22,880
Can I be can I just for the record say what
happened there? Right. So we were effectively

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02:17:22,880 --> 02:17:28,240
um often ask companies to simplify their
structures when company when customers looked

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02:17:28,240 --> 02:17:33,760

at financial structures in the water industry they were complex. We looked at ours and went

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02:17:33,760 --> 02:17:39,281

this is one we can do. So this is the way I think about it. So effectively we had two mortgages.

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02:17:39,280 --> 02:17:44,000

One of them was coming to the end and the other one was still open and we transferred 125 million

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02:17:44,000 --> 02:17:50,000

of mortgage from one instrument to another instrument. In the parlance of financial world,

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02:17:50,000 --> 02:17:55,359

which I'm not deep into, but in the parlance of financial world, that's called a special dividend,

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02:17:55,359 --> 02:17:59,599

right? It doesn't leave the business. It doesn't go to the shareholders. It's merely called

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02:17:59,600 --> 02:18:05,281

a special dividend. Stays inside the financial structure. Uh and the Financial Times then goes,

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02:18:05,280 --> 02:18:10,000

"Well, you've that's 125 million pound dividend." If you read the full article, it does explain

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02:18:10,000 --> 02:18:15,920

that. But the £125 million dividend that's actually um ex this thing isn't a dividend.

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02:18:15,920 --> 02:18:20,240

We haven't paid the shareholders a dividend in in the last 5 years. And in their plan,

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02:18:20,240 --> 02:18:24,960

they commit to not receiving money in the next five years. That my shareholders are very good.

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02:18:24,960 --> 02:18:28,560

They are really supportive. Like I said before, they are supporting an infrastructure. They are

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02:18:28,560 --> 02:18:33,520

not taking the money out of the business um other than the growth they're seeing in the

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02:18:33,520 --> 02:18:39,840

business as as we go forward. Um and that is effectively um the way in which we we're

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02:18:39,840 --> 02:18:48,880

funded and distributed. Thank thank you. Um I'm not I'm not familiar with Oh, you didn't. Oh,

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02:18:48,880 --> 02:18:54,720

I thought you might have found that article. I Well, I have read the article, but um I I would

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02:18:54,720 --> 02:19:01,520

have I don't understand why you would have had to pay what you've described as a special dividend to

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02:19:01,520 --> 02:19:09,600

um to refinance your debt. Surely that would just come out of you know the normal operations of the

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02:19:09,600 --> 02:19:15,281

business. It's not is it are you saying that the money left the business to refinance that? So it

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02:19:15,280 --> 02:19:20,319

didn't. So in my mind that doesn't sound like a dividend to me. That's how it's described and

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02:19:20,319 --> 02:19:24,719

it's an instantaneous transaction. So for that second it happened it was a dividend and it was

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02:19:24,720 --> 02:19:30,080

then it was a new instrument. So effectively it's you know it isn't in any way. It didn't leave the

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02:19:30,080 --> 02:19:38,399

business. So shareholders shareholders to be clear shareholders did not get a return from

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02:19:38,399 --> 02:19:44,240

from that I'm air quoting here for the sake of dividend because a dividend to me is a

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02:19:44,240 --> 02:19:49,359

distribution to shareholders. No. And it's a bit it's a bit ridiculous to say a shareholder was

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02:19:49,359 --> 02:19:57,599

125 million pound dividend in one year when we're regulated to like a 2% 3% return on equity and and

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02:19:57,600 --> 02:20:04,400

the investment in that period was lower than that. It's just it's just slightly ludicrous. and and in

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02:20:04,399 --> 02:20:09,439

the in in to the extent that you my final question on the financing is to the extent that you want to

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02:20:09,439 --> 02:20:16,960

make additional investments above and beyond the

regulated capital allowance that Ofwat gives you

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02:20:16,960 --> 02:20:24,319

in the price review process. Are you able to do that or would you anticipate doing that with debt

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02:20:24,319 --> 02:20:32,240

or asking shareholders to put up more in the form of equity? Um it's it's normally a combination of

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02:20:32,240 --> 02:20:38,080

things when you overspend in the same balance of debt and equity and also their shareholder

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02:20:38,080 --> 02:20:42,640

customer contributions if the regulator decides that's the appropriate way to do it as well. So

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02:20:42,640 --> 02:20:50,560

it's a mixture when you overspend. Right. Thank you. Um and with that as I said we have some

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02:20:50,560 --> 02:20:56,320

councillors in the room. I'd like to go with them first please. And I know Councillor Newton has a

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02:20:56,319 --> 02:21:03,359

question. Councillor Clever has a question. Um, and if anyone is online, any councillors on are

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02:21:03,359 --> 02:21:08,960

online who would like to ask a question, could I ask you to raise your digital hand? Um, and we

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02:21:08,960 --> 02:21:12,880

will come to you. But in the first instance, if Councillor Newton, if you could come forward to

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02:21:12,880 --> 02:21:25,120

one of the microphones, which I'm assured are all set up, so the camera should swing round to you.

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02:21:25,120 --> 02:21:28,640

Thank you very much. Thank you for having me this morning and thank you for coming. Um we

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02:21:28,640 --> 02:21:35,201

do appreciate it. Um I represent um Framfield and Crossing Hand Ward not far from Uckfield between

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02:21:35,200 --> 02:21:40,639

Uckfield and Heathfield and um one and a half questions if I'm allowed and I have a feeling they

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02:21:40,640 --> 02:21:47,520

are linked. Um Framfield residents for the last few weeks have been experiencing water outages

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02:21:47,520 --> 02:21:54,480

and fluctuations in flow. um mainly pressure which affects having showers, washing machines

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02:21:54,479 --> 02:22:00,639

and things like that. Um messages have gone to Southeast Water but as of the moment nothing is

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02:22:00,640 --> 02:22:05,440

happening at all and it's very frustrating obviously. A letter has been written to

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02:22:05,439 --> 02:22:10,399

yourself Mr. Hinton by the chairman of the parish council only just under a week ago but it has been

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02:22:10,399 --> 02:22:16,879

written. Um so that's obviously concerning for us as residents. The other thing which is also very

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02:22:16,880 --> 02:22:24,000

concerning and I'm hoping it's not linked on the A22 which is the major trunk road around the

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02:22:24,000 --> 02:22:32,160

area um in a layby to one side of the East Sussex National Hotel is and I'm using amateur phrasing

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02:22:32,160 --> 02:22:37,439

um it looks like a water hydrant to me. It looks a bit like a petrol pump but it's water not petrol

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02:22:37,439 --> 02:22:43,919

and we've noticed for several months now water tankers going to fill up there. Um, one question

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02:22:43,920 --> 02:22:50,640

is, well, why and where's the water going? But that's probably not my business. But secondly,

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02:22:50,640 --> 02:22:56,161

when there aren't any water tankers there, the hydrant is left on and gallons and gallons of

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02:22:56,160 --> 02:23:01,120

water are left flooding all over the road. I'm told by someone who says he's in the know that

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02:23:01,120 --> 02:23:07,200

there is a very major pipe under there and one wonders if that could be affecting the problems

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02:23:07,200 --> 02:23:12,080

we're having in Framfield Village. I wonder if you might be able to elaborate. That would be great.

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02:23:13,920 --> 02:23:21,120

Uh yes, thank you. Um so the the hydrant that's on the layby so that is currently being used to

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02:23:21,120 --> 02:23:27,840

support uh in the Kent zone. So water is going from Sussex into the Kent zone to support. Uh

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02:23:27,840 --> 02:23:33,520

it has also been used in Sussex if we have any local bursts. Um again just to try and keep our

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02:23:33,520 --> 02:23:39,201

customers into supply and we are aware that there is a leak on that hydrant. Uh unfortunately it's

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02:23:39,200 --> 02:23:45,760

called a French hydrant and they're really hard to actually get hold of. So it is in

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02:23:45,760 --> 02:23:50,800

um in line to be repaired. We are aware and it will be done very soon in terms of what

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02:23:50,800 --> 02:23:55,840

that could be causing in the upfield area. I'm unaware of that. So nothing's been reported to

1447

02:23:55,840 --> 02:24:00,160

myself in terms of pressure or customer outages. So I'll take that away and have

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02:24:00,160 --> 02:24:03,920

a look and I'll try and get a date for the repair on that hydrant as well. So it will

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02:24:03,920 --> 02:24:09,359

be done. Thank you very much. Can I just have some um assurance that you will look

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02:24:09,359 --> 02:24:13,679

at the problems in Framfield as well? There is a letter that must be in your system somewhere,

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02:24:13,680 --> 02:24:17,440

but it is quite serious for many res. Yeah, of course. I'll take that away. Thank you

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02:24:17,439 --> 02:24:30,080

very much indeed. Thank you, Councillor Newton. Um Councillor Clever, I believe you have a question.

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02:24:30,080 --> 02:24:38,000

My question is for the chief exec. Um, I grew up in Barham so I'm fully aware where

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02:24:38,000 --> 02:24:45,760

you get the water from. Um, my question is thank you for the up well first of

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02:24:45,760 --> 02:24:52,400

all thank you for the update regarding the farmers that they're going to be giving the

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02:24:52,399 --> 02:24:59,280

farmers will put in reservoirs for their crops etc. But when are you going to go

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02:24:59,280 --> 02:25:09,679

into dialogue with the land owners from Barkham Mills all the way up the river?

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02:25:09,680 --> 02:25:15,680

I'm glad you asked me that. So um we've been working on a we've got a group of I've got a

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02:25:15,680 --> 02:25:20,480

group of staff who've been working on the River

Ouse catchment now for about 15 years. So we've

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02:25:20,479 --> 02:25:26,399

been looking at every single um point of ab
and leasing with all the farms on the rivers

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02:25:26,399 --> 02:25:31,120

because we know that there's a there's a huge
relationship between land use around the river

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02:25:31,120 --> 02:25:34,800

and the quality of the river and not only that
but we can also help the farms. We've quite

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02:25:34,800 --> 02:25:38,560

often helped them with water efficiency tips
which ends up effectively reducing their water

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02:25:38,560 --> 02:25:45,920

bill. Um and so we've got a really wide ranging
environment program. So we have really we really

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02:25:45,920 --> 02:25:49,359

really trust me really monitor that River Ouse
section because that is the that's the piece

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02:25:49,359 --> 02:25:54,479

of water that transfers water from our arginine
reservoir to where we actually take it in bark

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02:25:54,479 --> 02:25:59,120

um and so we so it's really in our interest
to make sure those flows are healthy and high

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02:25:59,120 --> 02:26:03,760

and not abstracted from so so we work really
closely we visit we've got a numerous farm

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02:26:03,760 --> 02:26:08,880
stakeholders employ a few farmers to assist
with that dialogue so that is a that is a

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02:26:08,880 --> 02:26:12,880
real focus of ours is the is the attention
on the rivers it's our key river in in Sussex

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02:26:16,399 --> 02:26:25,679
Yeah, because you you said the problem in
Barcombe was the failure, the power failure,

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02:26:25,680 --> 02:26:34,640
but you said also the water was too dirty. Now if
you had another reservoir just north of Bark and

1473
02:26:34,640 --> 02:26:46,161
Mills going up on the Bumla estate then you could
the farmers could extract from the river when it's

1474
02:26:46,160 --> 02:26:55,359
at the most highest point fill up the reservoir.
then they can use it for their crops when they

1475
02:26:55,359 --> 02:27:05,759
need it and there'll be reserves in that reservoir
for when you have another mishap. So interesting.

1476
02:27:05,760 --> 02:27:11,680
I'm I've been in the company long enough to
remember we had an option called Clay Hill

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02:27:11,680 --> 02:27:17,920
which was a reservoir pretty close to where you're
suggesting isn't it? Um, and no, the the idea and

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02:27:17,920 --> 02:27:23,680
for I can't remember the exact reason, but it we
couldn't get it past the planning process. So,

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02:27:23,680 --> 02:27:28,320

it wasn't it sounded like a good idea, but wasn't developed because of I think it was environmental

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02:27:28,319 --> 02:27:34,880

reasons. Um, but your suggestion is a good one in that we all need to work out as a as

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02:27:34,880 --> 02:27:41,920

a as a local community about how we can share the resources of the youth without harming the rivers.

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02:27:41,920 --> 02:27:47,200

uh and and even better some of the things we put in place actually improve the river roofs.

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02:27:47,200 --> 02:27:51,760

So we're we're very much looking for that and using local far like you know we have looked

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02:27:51,760 --> 02:27:56,880

at something similar but I do I do like the I do like the suggestion that farms abstract as

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02:27:56,880 --> 02:28:02,640

well in the winter as we do to use their own to use water in their own farm and trap it in

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02:28:02,640 --> 02:28:06,720

their own farm. We've mainly concentrated so far on rainwater capture by farmers but

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02:28:06,720 --> 02:28:10,960

that's an interesting option which I'll take back. That is an interesting idea.

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02:28:12,399 --> 02:28:18,319

Thank you, Mr. Hinton. Now, um, thank you. Um, Councillor Collins has turned his camera on. Uh,

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02:28:18,319 --> 02:28:22,880

and I'm and I'm wondering whether or not that's because he wants to ask a question or just to

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02:28:22,880 --> 02:28:30,000

let he does want to ask a question. Fantastic. Councillor Collins, please. Uh, two questions,

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02:28:30,000 --> 02:28:37,439

chair, if you'll indulge me. Um, Mr. What's the practical benefit been of the works that you

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02:28:37,439 --> 02:28:43,120

undertook to connect Wadhurst and Rotherfield with the treatment works at Bewl which were finished

1493

02:28:43,120 --> 02:28:49,760

last year? Um and then um a financial question. It was quite widely reported in the press in

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02:28:49,760 --> 02:28:56,160

January this year that your loan repayments to your owners had increased from 90 million

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02:28:56,160 --> 02:29:02,800

pounds per annum to 276 million pounds per annum. And isn't that just a way of transferring value

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02:29:02,800 --> 02:29:10,320

from the business to the owners without paying dividends? I'll take the second point first. So,

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02:29:10,319 --> 02:29:18,880

so what happened the the shareholders took on took on debt um they effectively we had mortgages end

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02:29:18,880 --> 02:29:24,480

uh and we needed to replace them and the market at the time for various reasons

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02:29:24,479 --> 02:29:29,759

uh including the um issues that temps water are having were offering very very high rates of debt

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02:29:29,760 --> 02:29:34,560

if any at all. So the shareholders have offered us debt on a on a lower basis than the market was

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02:29:34,560 --> 02:29:40,320

offering. So that is so effectively it is just an alternative loan that we've know that we're

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02:29:40,319 --> 02:29:50,559

very we're very able to show is at market rate. Um so that's that's that one in terms of Wurst.

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02:29:50,560 --> 02:29:55,040

Yeah. So just a question on Bewl. So what what that transfer does,

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02:29:55,040 --> 02:30:02,640

it gives us the ability to put about 5 mega of water a day into our reservoir at Cottage Hill

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02:30:02,640 --> 02:30:10,241

um which can supplement the Wadhurst supply zone with water from Bewl um that takes the reliance

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02:30:10,240 --> 02:30:16,800

off of our treatment works called Coggins Mill. So it reduces that previous single point of failure

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02:30:16,800 --> 02:30:22,960

but it also allows us to reduce the abstraction

at Barcombe to give benefits to the wider Sussex

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02:30:22,960 --> 02:30:32,399

area as well. So it gives us additional water into that system to support customers when we need it.

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02:30:32,399 --> 02:30:38,319

Councillor Collins is that that that answers your question. Well answer thank you very much.

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02:30:38,319 --> 02:30:46,479

So um with that um I think uh we can move on to the next item of the meeting which

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02:30:46,479 --> 02:30:57,519

I'm trying to find my notes somewhere. Um just the date of the next meeting is

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02:30:57,520 --> 02:31:02,400

I'm informed that the next the only remaining item is sorry I've just got one tiny question left

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02:31:02,399 --> 02:31:09,839

if that's okay. This one tiny thing teeny tiny question please. Sorry. Um, so one thing obviously

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02:31:09,840 --> 02:31:14,400

we've talked about demand reduction and that being part of the plan, but um, we haven't talked about

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02:31:14,399 --> 02:31:19,839

data centres at all and I just wanted to know whether you're aware that there are any planned or

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02:31:19,840 --> 02:31:26,400

um, potential data centres in the area and how they would be accommodated. Thank you. Not that

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02:31:26,399 --> 02:31:33,599

I'm aware of. No, we haven't we've not seen any applications for D on data centres and the data

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02:31:33,600 --> 02:31:37,760

centres that are starting to be developed are looking like they're much more water le

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02:31:37,760 --> 02:31:42,240

or much less water hungry than the ones that were originally being proposed but we have not seen any

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02:31:42,240 --> 02:31:48,639

in our area yet and if there was a proposal would you say that that it wasn't possible or you would

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02:31:48,640 --> 02:31:54,640

say you could accommodate it? Well, again depends where it is. Just to point out a sort of a subtle

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02:31:54,640 --> 02:32:00,480

difference in the way that the business demand is handled compared to household demand in the water

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02:32:00,479 --> 02:32:06,000

industry. So we are legally obliged to collect every single domestic property. We are not legally

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02:32:06,000 --> 02:32:12,160

obliged to collect every commercial property. So we would have a discussion um with that whatever

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02:32:12,160 --> 02:32:18,080

that business was um and say how can you do this differently or how can we so it's it's a slightly

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02:32:18,080 --> 02:32:22,880

different legal framework. Um, so we would definitely have a conversation with we have a

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02:32:22,880 --> 02:32:27,840

conversation with any large user that's a business base that that that needs to come off our network

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02:32:27,840 --> 02:32:33,920

to try and make that happen without increasing any risk. Thank you very much. Thank you. Um,

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02:32:33,920 --> 02:32:38,640

and notwithstanding the points that were made at the beginning about the work program which we can

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02:32:38,640 --> 02:32:45,120

deal with offline. Um, I think the remaining item is to say thank you very much to to all of you

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02:32:45,120 --> 02:32:51,519

for coming. We we do appreciate it. I understand it's a very complex issue. Um but for me at least

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02:32:51,520 --> 02:32:59,680

the you it's a little less turbid than perhaps it was um prior to the prior to the meeting. Um the

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02:32:59,680 --> 02:33:05,120

date of the next meeting of this committee. Sorry. Um can would it really be so onerous

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02:33:05,120 --> 02:33:10,000

to just say can we have a show of hands that we would like to invite sudden water? Surely that

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02:33:10,000 --> 02:33:16,560

that can't be done. I'm informed I'm informed that's not appropriate time. Okay then. So,

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02:33:16,560 --> 02:33:21,281

so we we can I think there probably universal agreement without a show of hands. Council,

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02:33:21,280 --> 02:33:25,200

can we take that as read, Mr. Chairman?

Sorry. Can we take that as read, Mr. Chairman,

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02:33:25,200 --> 02:33:29,760

that you've taken the feeling of the meeting on board? Well, we're not going to have a formal on

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02:33:29,760 --> 02:33:37,600

that right now. Informally, I I I'm happy to put my hand up in the air formally. Thank you. Shall

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02:33:37,600 --> 02:33:41,201

we shall we can't take informal votes or formal votes because there is no agenda item for this

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02:33:41,200 --> 02:33:46,000

to on this on this meeting. We have already set the date. They have already set the date for an

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02:33:46,000 --> 02:33:50,479

informal meeting where we can have exactly this conversation and make this decision. Chair point

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02:33:50,479 --> 02:33:56,479

of order. Can I can we not propose and second in the meeting? Does it have to be a agenda item

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02:33:56,479 --> 02:34:02,240

under the new constitution? Because this is this is something we've discussed twice over. I think I

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02:34:02,240 --> 02:34:08,319

think it's better better done offline. Councillor London. We'll deal with it offline. Um the date of

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02:34:08,319 --> 02:34:14,080

the next meeting is Monday the 18th of May 2026.

So I'll see you all back at that point. Thank you.