

Customers

“Water bills now being sent to customers will protect the progress that water companies have made on improving services and the environment. The new charges, which came into force on 1 April, see bills in England and Wales going up on average by nearly 12%. The increases are necessary to reflect the higher day-to-day running costs of delivering water and sewerage services, and the build-up of costs since the last review in 1999. Despite the increases for 2005-2006, many households’ water and sewerage bills will still be lower in real terms than they were in 1999, before Ofwat introduced a 12% reduction in bills from April 2000.”

- Ofwat press release 10 March 2005

“In modern consumer societies, ideas about price and value disguise the importance of basics like tap water available at a low relative cost. The benefits can seem small beside the dearer essentials of modern life like cars or TV or mobile phones. Most household bills are less than 2% of income.”

- Water UK, 21 March 2005




We will renew, renovate and refurbish treatment works during 2005-2010

Case Study

Maintaining and Improving Services

During 2000-2005 we delivered high quality water and wastewater services. Customers benefited from price reductions over 2004-2005, average bills fell from £278 to £247.

Over 2005-2010 we must deliver a large investment programme, costing on average £313 million in each year.

 For further information see the *Economy and Key Performance* section of this report at www.southernwater.co.uk/sustainability

Across our region over 2005-2010:

- We will renew 145km of water mains
- We will refurbish 35 water supply works
- We will renew or renovate 169km of sewers
- We will refurbish 97 wastewater treatment works
- We will deliver 125 flooding alleviation schemes
- We will deliver eight major growth area schemes
- We will improve 69 wastewater treatment works to deliver environmental improvements
- We will improve six water supply works to deliver quality improvements

In order for us to achieve this, the following movements will occur to average customer bills over the period:

(2004-2005 prices)	Water (£)	Sewerage (£)
Customer Services		
Average bill 2004-2005	91	168
Increased by:		
Maintaining service	12	14
Maintaining security of supply	10	2
Improving drinking water quality	3	
Environmental improvements	0	38
Improving service performance	0	3
Offset by:		
Further efficiency improvements	-6	-11
Average bill 2009-2010	110	214

Links: Customer Service Centre: Service enquiries (open 24 hours for emergencies) 0845 278 0845
 Account enquiries 0845 272 0845 (Open Mon-Fri 8am-6pm, Sat 8am-1pm); Minicom users 0845 275 0845
 Household metering service centre 0845 270 0845; Additional needs assistance 0800 027 0800

Every day we supply nearly 500 million litres of water to over one million domestic, industrial or commercial properties within our supply area. This includes water for fire fighting supplied at no charge. We also manage the increase in demand generated, in part, by a seasonal influx of holidaymakers.

We return around 830 million litres of treated wastewater to the environment every day. This is a combination of rainfall, water used in factories and domestic wastewater.

Key Performance

- We answered 95% of 2003-2004 calls within 30 seconds
- We dealt with 100% of billing contacts within five days
- We dealt with 100% of any written complaints within ten days
- We had no customer restrictions on water use in 2004-2005
- We had 420 unplanned interruptions to customer water supply exceeding 12 hours in 2004-2005
- In our region, 502 customers were at risk of low supply pressure at year-end for 2004-2005
- Flooding incidents due to overloaded sewers have reduced again this year to 15
- Our customer supply pipe repair and replacement policy saved 6.6 million litres of water a day over 2004-2005
- We distributed a further 21,267 save-a-flush bags to our domestic customers over 2004-2005

WaterVoice is the organisation representing customers in England and Wales (known as the Consumer Council for Water from 1 October 2005)

Ofwat is the Office of Water Services, the key regulator for the water industry (known as the Water Services Regulation Authority from 1 April 2006)

Ofwat has a method for assessing overall service to customers so that it can compare different water companies across the UK

Performance against Ofwat criteria is taken into account in its setting of price limits for each company

The average person in the South East uses 160 litres of water a day, or two baths full

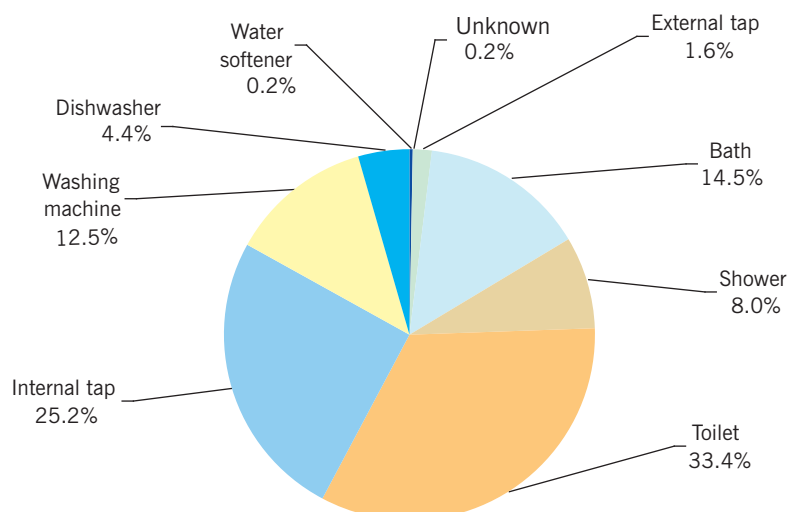
Domestic Customers

The Office of Water Services (Ofwat) regulates our service to customers by setting a series of Key Performance Indicators as service level targets for us to meet. It then assesses our performance against these indicators. Our aim is to provide a high level of service at all times. We have defined our customer service standards in a customer charter, Our Promise to You. This is available from our Customer Service Centre or online at www.southernwater.co.uk/library.

Our record of compliance with water quality standards, as reported in the Drinking Water Inspectorate (DWI) Chief Inspector's Report, is among the highest of the water service companies. We achieved this record of performance by investing consistently in capital maintenance of our works. There are many aspects to the service we provide to ensure delivery of this quality of product to our customers. These are reflected throughout this report and in our customer magazine, Splash.

Splash contained many water efficiency tips in 2004-2005, including a simple quiz-based water audit. We continued to offer water efficiency devices e.g. water butts to catch rainwater for the garden.

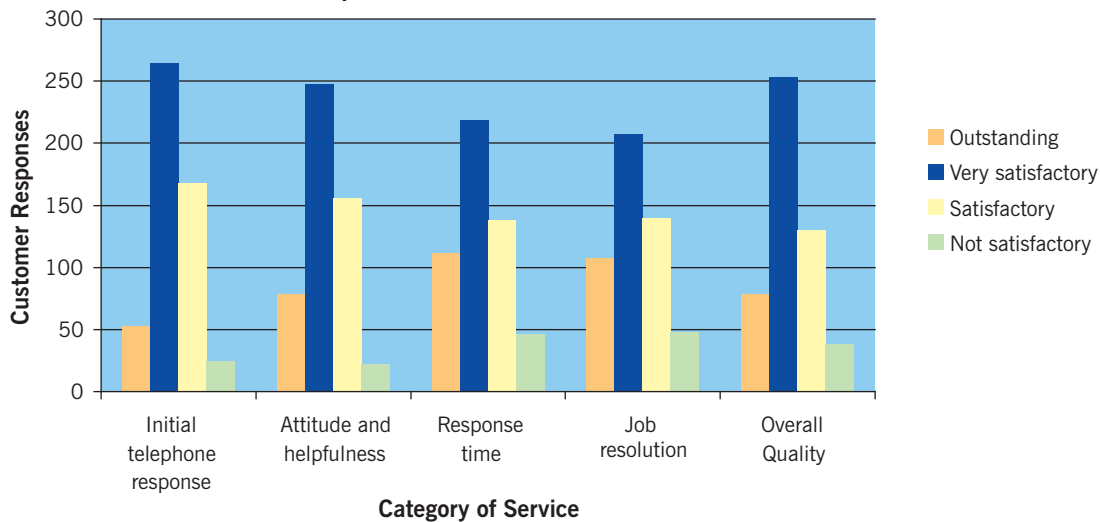
Household Water Use (Typical week)



Our water efficiency plan recognises that, to promote water efficiency effectively, we must set a good example. To this end we continue to achieve our leakage targets and have a continuous programme to reduce our own water usage. Customer participation and feedback is crucial to the success of our water efficiency programme and we see our campaign as a partnership between our customers and us.

Links: Leakline 0800 820 999 | www.southernwater.co.uk | www.ofwat.gov.uk | www.watervoice.org.uk
 WaterVoice Southern 0845 758 1658 or southern@watervoice.org.uk | www.bagandbin.org

Customer Responses to Questionnaires 2004-2005



Our customers can help by using water wisely and disposing of wastes and chemicals safely. Disposable products are part of modern life, when used they should be disposed of in the bin and not flushed away. Such items can cause blockages in sewers and drains, perhaps resulting in loss of service or environmental damage. We promote a Bag it and Bin it campaign to this end. For more information go to www.bagandbin.org.

Customers call on a frequent basis to ask us to investigate sewer blockages. We attended 14,535 incidents over 2004-2005. These often turn out to be blockages within the privately owned sewers, for which the property owner has responsibility. Where this is the case, we offer a service to our customers for a minimum charge to cover our time and cost, as water industry funding does not provide for this service to customers.

We continued to offer an up-to-one-hour-free leak detection service to our domestic customers over 2004-2005. This included a repair service for supply pipes. Domestic customers qualify for one free supply pipe repair per occupancy of the property. Customers can also elect to have a meter fitted free of charge.

We continued to offer a range of assistance to our customers with additional needs. In order to give the best possible service, we keep a confidential register of customers with additional needs. This ensures our employees know about special circumstances our customers may have. Customers can register their details for this service. Customers can also ask to join our password scheme. This ensures that should we call on them at home, we can quote the agreed password to provide additional assurance of our identity.

Domestic customers experiencing difficulty in paying for water and wastewater services can find assistance through applying for support. Additionally, our local representatives can agree payment terms in person. We encourage any customer who experiences difficulty with payments to contact us as soon as possible so that we can help. We aim to make payment as easy as possible by providing many different payment methods.

Customers whose surface water drainage does not enter the public sewerage system can claim a rebate from their bill on this part of their wastewater service.

We met quarterly with WaterVoice Southern over 2004-2005 to discuss customer feedback and issues arising. A common theme over the past year was the industry five-yearly review and business plans for the 2005-2010 period.

We send Customer Satisfaction Questionnaires to a random selection of customers contacting our Customer Service Centre on a monthly basis. We assess the responses to review our customer service.

We commissioned independent research to identify and monitor shifts in customer satisfaction levels. A representative sample of Southern Water customers participated. This study follows on from independent research undertaken in previous years and showed results consistent with that research.

Links: Southern Water Scientific Services: analysis@southernwater.co.uk 01273 625237

www.southernwater.co.uk/scientificservices | www.watermark.gov.uk | www.bagandbin.org | www.waterconservation.co.uk

Our aim is to provide a high level of service at all times. We have defined our customer service standards for business customers. This is available from our Customer Service Centre or www.southernwater.co.uk/library.

Key Performance

- We continued to work with a key hospital in our region to ensure effective emergency plans were in place in relation to water supply
- We developed a business customer charter that sets out our standards of service commitment to our business customers
- We provided 700 Save-a-flush bags to a holiday resort in East Sussex. Each bag will save a litre of water with every flush
- We supported the environment team of one of our customers with water efficiency advice at a public event

We offer an extensive range of sampling and laboratory analysis services to our customers

Our laboratories are certified to ISO17025 (Internal Standards Organisation quality management standard) and are audited annually in accordance with Drinking Water Inspectorate requirements

We provide our commercial customers with water supply and wastewater treatment services and offer more specialist monitoring, sampling and analytical services

Commercial Customers

Over the last year we delivered water quality and consumption reports to key business customers and advised them on water efficiency. Leakage specialists worked with our commercial customers to minimise water-wastage and associated cost. Our commercial infrastructure specialists investigated foul water systems and offered assistance with site surveys to our customers raising concerns over aspects of their wastewater operations.

Our Account Managers contacted customer organisations to tell them about our services that assist businesses and organisations. We promoted our free water efficiency audits, leak detection and repair services and our infrastructure services to these customers. Our employees gave presentations to key customer organisations explaining the national Water Regulations, particularly in relation to water supply and water fittings requirements.

Our business leaflet Save Water Save Money, introduced customers to the potential benefits of our water efficiency advice. Our free advice pack for business customers, Small Changes Big Savings: Business, was available to those customers wishing to conduct their own water audits.



Some of the water efficiency leaflets produced for our commercial customers

do you know how much the supply and disposal of water costs your business?

