

## Business performance



### Delivering what matters

Our purpose is to provide the water for life we all rely on to thrive. We deliver great tasting, safe drinking water to our customers and recycle their wastewater safely back to the natural environment.

We have been leading the challenge in doing more for less - we have transformed the delivery of water and sewerage services, delivering record levels of service for our customers while reducing our cost base through sustainable efficiencies. NI Water has been successful in achieving comparable levels of performance and efficiency with water companies in England, Wales and Scotland. We want to continue to build on this success and become world class for Northern Ireland.

Despite this progress, Northern Ireland is facing unprecedented risks to the environment and to the economy arising from its aging water and sewerage infrastructure, the climate emergency and the biodiversity crisis. We must also protect our safe, resilient drinking water supplies and distribution systems.

Our PC21 Business Plan (2021-27) sets out the step change in investment required to address the most critical needs and enable Northern Ireland to thrive from its water and sewerage infrastructure. This plan also sets out the performance improvements we are committing to deliver for our customers, building on our PC15 Business Plan (2015-21) and continuing to drive efficiency and innovation. The independent Utility Regulator has given its endorsement for our PC21 Business Plan investment. We are working with our Shareholder and other Government Departments to secure the necessary funding.

Some of the notable highlights over 2020/21, the final year of our PC15 Business Plan, are provided below and further details on progress are contained in this report.

### Delighting our customers

Providing a great service to our customers is core to our business, so it is important that we continue to look for opportunities to help us adapt to changing customer expectations. Advancements in technology and innovation have helped us make great strides in this area.

We have set ourselves a challenge to achieve higher Net Promoter Scores, which is an internationally recognised customer advocacy benchmark that spans all sectors, not just utilities. We will achieve this by reducing service failures and resolving issues on first point of contact. We are delighted that our effort and innovation in this area is reflected in the achievement of our Net Promoter Score for 2020/21.

Over 2020/21 we enhanced our social media service, introduced live webchat and optimised our automated chatbot to answer even more customer enquiries. We upgraded our incident management system to improve the information on our website when our customers experience an interruption to water supply and introduced the ability for customers requiring additional support to easily register online. Our new digital services platform will offer a range of further service improvements. The first phase was completed in March 2021 and focuses on improving how customers can manage their accounts and perform activities such as paying bills or checking consumption.

**P32** Read more about delivering an exceptional customer experience.

### Clean and safe water when you need it

Great products start with great raw materials. Our sustainable catchment management programme is a key driver of improved raw water quality. One of our largest projects is the EU INTERREG VA Programme funded investment of €5m under the Source to Tap project to improve the Erne and Derg cross border river catchments.

Peatlands are one of nature's superstars, storing more terrestrial carbon than all other vegetation types in the world combined. They also improve our water quality, support an array of species and provide places for people to enjoy. Our peat bog restoration work under the Source To Tap project in 2020/21 included 30 hectares of formerly afforested land on the Pettigoe Plateau, County Fermanagh. We also commenced a new peatland restoration project on the shores of Lough Bradan, County Tyrone.

NI Water takes water from a number of lowland lakes and rivers to supply the wholesome water that we all rely on to drink. Trees help us to protect these water courses. Our 10-year partnership with The Woodland Trust Northern Ireland and other partners has resulted in the planting of over 150,000 trees in our drinking water catchments. Over 2020/21 we provided resources for a 'wet wood' flood alleviation project alongside the Faughan River, County Derry/Londonderry. Our ambition over the next decade is to plant 1 million of the right trees in the right place.

Our changing climate is bringing more frequent and severe weather events such as heavy rainfall, heatwaves and extreme cold. With many people based at home from early April 2020, we saw a significant increase in household water use during periods of warmer weather. A combination of our response and a period of cooler, wetter weather saw reservoir levels restore from June 2020. We are also focussed on securing future water supplies, with over £25m being pumped into water resilience for the North West, County Down and Belfast.

Overall drinking water quality compliance in 2020 was above the target of 99.79%. COVID-19 has had an impact on regulatory sampling with some reduction in sampling and suspension of samples at customer taps. Another notable development over 2020/21 included the activation of resilience measures in November 2020 to ensure that the drinking water supply was not impacted by the peatland landslide in County Donegal.

Reducing leakage continues to be a top priority, but with a network of around 27,000 km of underground water pipes, it can be a complex and costly job finding the leaks. Our leakage teams continued to work around the clock to locate and repair leaks. In 2020/21 we reduced leakage by over 3 million litres (enough to fill over one olympic size swimming pool) per day (MI/d) to 158MI/d. However, this reduction was not enough to meet our target of 155 MI/d. To address this we have tested a number of innovative approaches to detect more leaks such as acoustic listening devices and satellites. Around a quarter of this leakage is on customer properties, so we need our customers to help us by getting any leaks fixed quickly. In PC21 we are setting ourselves the challenge of achieving the sustainable economic level of leakage (150MI/d), which is the point at which the cost of fixing a leak outweighs the benefit.

Every minute counts when it comes to fixing water supply problems. Over 2020/21, we deployed water tankers and laid temporary supplies to achieve our supply interruption target. Our PC21 Business Plan includes capital investment to reduce the minutes lost per property by 50%, aiming for zero lost minutes per property by 2050.

**P36** Read more about supporting a healthy and thriving population.

## Sustainable economic growth

During 2020/21, we continued our engagement with Local Councils and other stakeholders on wastewater capacity constraints. Our PC21 Business Plan sets out the investment required to start to address the wastewater capacity constraints. We anticipate that it will take a sustained increase in investment over the next quarter of a century to solve the problem of development constraints.

The gap between us and the most efficient water companies in England and Wales has reduced from 49% in 2007/08 to just 5.7% in 2018/19. We are committed to reducing annual operating costs by a further £13m to eliminate this efficiency gap by 2027.

These significant sustainable cost efficiencies have helped us keep any increase in non-domestic water and sewerage charges at or below inflation.

**P46** Read more about supporting a growing economy.

## Flourishing natural environment

Flooding and the risk of flooding can constrain economic development, increase the cost of insurance and pollute our natural environment. There are 108 properties on the register of properties at risk of internal flooding as a result of the capacity of the sewerage system being exceeded and we propose to remove 57 properties from the register through defined projects over PC21. In 2020/21, we commenced a £0.5m programme of essential sewer improvement work in the Dunmurry and wider West and South Belfast areas to reduce the risk of out of sewer flooding.

Reducing the amount of surface water reaching the sewers can help reduce the risk of sewer flooding due to overcapacity. We removed an impermeable surface area equivalent to around 42 football pitches from the sewer network over PC15. We plan to significantly increase the level of area removed, to the equivalent of around 52 football pitches in 2021/22 alone, and a similar area in each of the five remaining years of PC21.

We are working with the NIEA and other stakeholders to reform the wastewater compliance model to improve compliance across the whole wastewater system. Over 2020/21 we installed event and duration monitors on our sewer network to better understand spills from combined sewer overflows and enable regulatory reporting on spills over 2021/22. Our plans over PC21 include installing flow meters and doubling the number of event and duration monitors.

Over 2020/21 we commenced a £10m programme of work at Belfast wastewater treatment works to ensure wastewater treatment for Belfast remains compliant. We also commenced a £6m upgrade of Warrenpoint wastewater treatment works to improve water quality in Carlingford Lough.

Traditional treatment works require a lot of energy, carbon, concrete and chemicals such as chlorine to ensure wastewater can be safely released back to the environment. In 2020/21, we upgraded the existing wastewater treatment works in Ballykelly, County Derry/Londonderry by developing a sustainable integrated constructed wetland to enhance the traditional treatment works and reduce energy and carbon. We are continuing to invest in replacing our existing treatment assets with lower energy solutions as part of our part of our £47m rural wastewater investment programme. Further work is ongoing to identify opportunities for lower carbon treatment solutions, with a target of seven wastewater treatment sites within our PC21 Business Plan.

We deal with around 15,000 blockages of our sewers each year, over 11,000 of which could have been prevented. Our 2020/21 campaign employed a COVID-19 related strand due to the rise in toilet roll purchased and the increased use of wet wipes. Our Refillution campaign also continues at pace to support the reduction in single use plastics.

We are committed to decarbonise our business before 2050 by taking a sustainable consumption path and we recognise that we can play a key role in supporting the wider societal shift to a decarbonised circular economy. We believe that our infrastructure, which includes significant land holdings and over 3,000 grid connected

sites across Northern Ireland, can be used in innovative ways such as doubling Northern Ireland's renewable generating capacity and producing hydrogen fuel. In 2020/21, we increased our electricity consumption from renewable sources such as solar and hydro power to over 40%, rising to 100% by 2027. We also unveiled a ground breaking concept to help kick start the hydrogen economy in Northern Ireland.

**P52** Read more about protecting and enhancing the natural environment.

## Happy, safe and healthy people

Our water is world class and so are our people. Attracting, developing, retaining and partnering with the best talent is fundamental to the success of our business and therefore we are committed to making NI Water a great place to work.

We launched a new Emerging Leaders programme over 2020/21, developing 44 aspiring leaders to fulfil their leadership potential and a new Apprenticeship Academy through which we hired 30 new water apprentices. 13% of our apprenticeship intake are female, enhancing the proportion of females within our industrial workforce. Our 2021/22 plans include the development of an immersive management development programme for all middle managers; a significant programme of work to define and develop our corporate values into everyday behaviours and actions; modernising our total reward strategy; and the development of hybrid working for office based staff as we re-invent our workplace.

Pulse surveys were used over 2020/21 as a quick and agile way of staying connected with all our people and to understand the sentiment of our workforce throughout the pandemic. We also held our third Microsoft Teams Live broadcast in March 2021. Over 300 colleagues participated in the session and received updates from myself and other Executive Directors on various topics linked to the survey results.

Our award winning health and wellbeing strategy helps staff 'live well' through a range of initiatives to support mental, physical, financial and social health such as our Live Well Roadshow, Winter Wellness Programme and new Spring Forward programme.

We had to put our fantastic Cares Challenge/ Little Ripples programmes temporarily on hold over 2020/21. A number of colleagues got involved in digital volunteering, helping local community charities host short virtual training sessions on a digital topic.

Our partnership with WaterAid continued over 2020/21 by hosting the first virtual fundraising ball in the UK, which raised over £47,000.

We also had to adapt our unique education programme over 2020/21 due to COVID-19. A home-schooling pack was developed, for our 'water-whizz' school kids in place of face to face learning on our Waterbus.

**P66** Read more about helping our people and communities to thrive.

*Sara Venning*

Sara Venning  
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