



We have completed the first year of our six year PC21 Business Plan (2021-27). Our performance is set in the context of COVID-19, climate change, extreme energy price volatility, significant inflationary pressures across our supply chain, and the continued uncertainty over PC21 funding.

Despite these challenges, we have largely delivered against the targets set by the independent Utility Regulator for 2021/22. This is a tremendous credit to our colleagues and business partners who have continued to deliver what matters. Some of the notable highlights over 2021/22 are provided below and further details on progress are contained in this report.

## Delighting our customers

During 2021/22 we increased the operational hours of our social media platforms and Web Chat Service. Our customer base for web self-serve also continues to grow, building on the launch of our first web form for reporting a leak in 2020/21.

We have had our best ever year in terms of unwanted customer contacts. This is despite the challenges from the high demand event and the major burst on the Dunore trunk main over the summer. Our Net Promoter Score compares favourably with other utilities and UK water companies, although it is below the challenging target set by the Utility Regulator.

Further improvements have been introduced to our text update services for web forms and an early warning text notification for metered non domestic customers experiencing high water consumption. The introduction of automation for processing sewer blockages has enabled quicker response times. We plan to launch a digital application process for new connections to our water and wastewater network for housing developers and applications for trade effluent. We are also planning improvements to our website and to pilot the use of geo targeted social media posts to give advance warning of water outages to customers that do not follow us on social media.

We continue to work with Health Trusts, Councils and other Utilities to promote our Customer Care Register and collaborate with the National Cyber Security Centre to keep at the forefront of an ever changing cyber threat landscape.

**P26** Read more about delivering an exceptional customer experience.

## Clean and safe water when you need it

As one of the largest land owners in Northern Ireland, we are working to improve the water quality at source in our catchments. We have been working with our partner organisations to roll out the pilot Land Incentive Scheme to farmers in the River Derg cross border catchment, as part of the EU INTERREG VA funded Source to Tap project. Project Officers have engaged with over 220 landowners and undertaken farm visits, making recommendations for measures that benefit both the farm business and the environment.

NI Water has been working closely with RSPB Northern Ireland and Natural Capital Solutions on the 'Valuing Our Peatlands' Project. This assessment of peatland habitat in NI shows that investing in bog restoration makes economic sense, with every £1 spent on peatland restoration returning £3.91 in benefits such as improved water quality, flood management, carbon storage and biodiversity.

Our changing climate is bringing more frequent and severe weather events such as heavy rainfall, heatwaves and extreme cold. These events can affect the quality and quantity of our water sources, placing pressure on our water treatment works. Northern Ireland experienced its highest ever temperature in July 2021. We moved a staggering 38.5 million litres of water, by tanker, across Northern Ireland to keep customers in supply. This high demand incident was further complicated towards the end of July when a major burst close to Dunore water treatment works resulted in a temporary loss of water supply and intermittent supply to properties in Antrim and surrounding areas.

Overall drinking water quality compliance in 2021 was 99.88%, above the target of 99.83%. COVID-19 had an impact on regulatory sampling with zone sampling at customer taps suspended, in line with social distancing guidelines. To ensure that we continued to monitor water quality within the distribution system, regulatory zone samples were taken at designated fixed points, service reservoirs (which store treated water) and at a number of fixed point customer addresses. Customer tap sampling recommenced in February 2022.

Drinking water compliance is underpinned by investment in our water infrastructure. A major £12m investment in Derg water treatment works got underway in 2021/22. The upgrade will improve the water quality within the Derg network and provide additional security of the water supply to the Castlederg and Strabane supply area and further afield, benefiting around 40,000 people.

Leakage was reduced by over 2 million litres per day over 2021/22 to 155.6 million litres per day through use of leakage detection techniques such as ground microphones. We have also expanded our leakage team and upskilled staff on best practice detection and repair methods. Around a quarter of leaks occur on customer properties, highlighting the importance of fixing any leaky taps and loos in homes and other premises.

A major burst at a strategic trunk main in July 2021 resulted in our failure to achieve the target for customers without supply for >6 hours in 2021/22. Performance against the targets for >12 hours and >24 hours was also impacted, but recovered over 2021/22.

**P32** Read more about supporting a healthy and thriving population.

## Sustainable economic growth

The public expenditure made available from Government for investment in wastewater services has been below the investment required to provide increased capacity to facilitate growth or achieve water quality targets. Our PC21 Business Plan sets out the investment required to start to address the wastewater capacity constraints in over 100 towns and cities across Northern Ireland. The £18m Ards North wastewater improvement project forms part of this plan and shows what can be delivered through proper funding. 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.

Following approval by the Utility Regulator, NI Water increased its non-household water and wastewater tariffs by 6.6% on average from 1 April 2022. When setting tariffs, NI Water seeks to strike a balance between the conflicting priorities of minimising the impact on customers whilst at the same time ensuring that enough revenue is generated. NI Water is facing considerable budgetary pressures, which are likely to continue through 2022/23, primarily due to the impact of rising power prices and other unavoidable increases affecting other material costs such as chemicals. Whilst any increase is unwelcome we have worked hard to ensure our water and sewerage services continue to provide good value for money to our customers. This increase means most of our customers will see their bills rise by less than inflation.

We believe that our future infrastructure investment can support not only the transition to a more sustainable and resilient business but also help create an affordable, low carbon green economy for Northern Ireland. The launch of the NI Water Power of Water Report in 2021/22 set out a number of practical examples of how NI Water might be part of a wider decarbonisation agenda.

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

## Flourishing natural environment

Most of the urban areas of Northern Ireland, including road surfaces, are served by combined sewers that carry both wastewater and surface water - such a system would never be built today. We understand that internal sewer flooding is one of the worst things that can happen to our customers' properties. We removed three of the 108 properties at risk of internal flooding as a result of the capacity of the sewerage system being exceeded.

Reducing the amount of surface water reaching the sewers can help reduce the risk of sewer flooding due to overcapacity. The Ravenhill Avenue flood alleviation project commenced in 2021/22 and will remove an impermeable area equivalent to around 12 football pitches, which currently discharges into the Belfast sewerage network.

Ongoing investigation work on storm water removal will result in re-profiling the total impermeable area removed during PC21.

During 2021/22, Infrastructure Minister Nichola Mallon published Living With Water in Belfast: An Integrated Plan for Drainage and Wastewater Management in Greater Belfast. This follows Executive approval and a public consultation on the Plan. At £1.4bn over 12 years it is not a quick, or inexpensive fix. The Plan aims to deliver a long-term approach to drainage and wastewater management that will protect from flooding, provide a cleaner and greener environment and ensure that Belfast is open for business and investment.

Reforming our Wastewater Compliance Assessment is a key part of a wider programme of Water Regulation Reform being taken forward by our environmental regulator, the Northern Ireland Environment Agency. To help inform this, we are undertaking an unannounced sampling programme to get a better understanding of wastewater treatment works' performance. We are also installing flow meters at wastewater treatment works and event and duration monitors (EDMs) on our sewer network to better understand spills from combined sewer overflows and enable future regulatory reporting on spills. Combined sewer overflows act as emergency discharge valves in our sewerage system, discharging untreated sewage and wastewater when the system is overloaded. They are a necessary part of the existing sewerage system, preventing sewage from flooding homes and businesses. We delivered 52 monitors at combined sewer overflows against a target of 50 for 2021/22. We didn't deliver any EDMs at wastewater treatment works against target of 16 for 2021/22. We continue to work with NIEA to establish the method for measurement of flow requirements at wastewater treatment works, which may be a combination of flow meters and EDMs at most wastewater treatment works. We removed five unsatisfactory intermittent discharges against a target of seven for 2021/22. We plan to recover this slippage over PC21.

Every day we recycle wastewater from 736,000 homes and businesses before safely returning it to the rivers and sea. Traditional treatment works are carbon intensive, requiring a lot of energy, concrete and chemicals to ensure treated wastewater can be safely released back to

the environment. We are committed to a more sustainable approach to wastewater treatment and have deployed a number of innovative approaches such as lower energy technologies and nature based solutions. This includes the use of low energy Nereda technology at Dungannon wastewater treatment works and natural reed beds at Clabby wastewater treatment works. We continued to make good progress on the construction of the new £6.4m Ballygowan wastewater treatment works. NI Water is planning to install a new 65 KW renewable solar energy system within the footprint of the old wastewater treatment works site. The electricity created from the new solar panels will be used to provide additional power to run the treatment works, reducing energy usage and lowering the carbon footprint of the site.

NI Water is a natural capital business and we are committed to putting nature at the heart of our decision making. The Water Industry Forum, working with Water UK's Environment Policy Advisory Group members including NI Water has been developing further guidance on driving best value decision making using a multi-capitals approach. We continue to pilot the use of multi-capitals decision making on the Living With Water Programme and have a number of activities within our draft Climate Change Strategy to support multi-capitals decision making. We plan to roll out the new approach across our investment programme to inform our next business plan in PC27 (2027-33).

We deal with around 15,000 blockages of our sewers each year, over 11,000 of which could have been prevented. The most common cause of these blockages is the flushing of items which do not dissolve down the toilet such as wet wipes and the disposal of fats, oils and grease down the sink. Our customer campaigns continued the messages around bag it and bin it, with focus on 'hot spots' and promotion of 'refillution' messaging to reduce the number of single use plastic water bottles.

**P54** Read more about protecting and enhancing the natural environment.

## Happy, safe and healthy people

We want to create a great place to work and ensure that NI Water is fit for the future by attracting, developing and retaining top talent. In an increasingly competitive talent market, it is important that we address

the challenges presented by STEM skills shortages in the marketplace and an ageing workforce to ensure NI Water remains fit for the future.

We have a healthy picture of career development across the organisation with over 85% of all promotions in the last year filled internally. Our employer brand is strong in the marketplace and we have hired over 200 new recruits in the last two years. Whilst many organisations are experiencing the 'great resignation', our staff turnover remained consistently low. Our Apprenticeship Academy continues to go from strength to strength with the recruitment, on boarding and development of over 35 new apprentices in 2021/22, including the launch of NI Water's first Higher Level Apprenticeship programme. Around 17% of our class of 2021/22 are female. We have launched a wide reaching campaign to recruit a further 28 apprentices and higher level apprentices to join in 2022/23.

Significant investment continues to be made over PC21 to both review and upgrade our province wide network of facilities and above ground buildings and related assets. Another area of focus is driver safety, which we will target through the use of 'safe driving' workshops for all staff. The Assure health and safety software enables all employees and our supply chain to report incidents, unsafe and good observations and safety suggestions via App or Source homepage using a mobile phone, tough book, or laptop. The ability to undertake health and safety audits and spot checks is also now available via Assure.

NI Water's award-winning health and wellbeing strategy is designed with and for employees to support their physical, mental, social and financial health in the belief that prevention is better than cure. This strategy is informed by absence data, employee pulse surveys, monthly polls and employee focus groups to understand the diverse needs of our workforce and ensure wide appeal.

We use a range of listening strategies to gather the voice of the employee and ensure that action is targeted in the right place. These include employee surveys, frontline focus groups, cultural ambassador network, monthly polls and employee workgroups. Feedback received has helped inform a variety of corporate strategies including the new hybrid working strategy.

A diverse workforce is good for business, providing different perspectives, encouraging innovation, and fostering a more collaborative working culture. We hold the Bronze Diversity Charter mark and are working towards achieving the silver standard in 2022/23. In 2021/22, NI Water became the first company in Northern Ireland to sign up the UK Government's 'Levelling Up Goals' which seek to drive equality of opportunity and support social mobility.

NI Water was named Team of the Year 2021 at the Belfast Chamber Business Awards. We were recognised for the vital role our essential workers played at the frontline of the pandemic in ensuring public health protection across Northern Ireland.

Amazingly our Cares Challenge volunteering scheme celebrates its 10 year anniversary in 2021/22 and to celebrate, we've launched an exciting new programme of events. Over 1,500 staff have volunteered in around 100 challenges to date, equating to over 10,000 hours of volunteering to help support communities across Northern Ireland.

NI Water is proud to lead the local WaterAid NI Committee, raising over £74k, including £34k at a virtual fundraising ball. These funds will go a long way in helping bring clean water, decent toilets and good hygiene to health centres in Machinga and Zomba districts of Malawi, where the Deliver Life project is based.

We are also really proud of our unique education programme, which includes the Waterbus mobile classroom initiative. We have educated over 218,000 'water-whizz' school kids about the value of water for health, the economy and nature.

**P76** Read more about helping our people and communities to thrive.



Sara Venning  
Chief Executive  
29 June 2022