

Councillor Martin Gannon Leader of the Council

Rachel Fletcher
Chief Executive
Ofwat
Centre City Tower
7 Hill Street
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My Ref: MG/MS
Your Ref:
Contact: M Gannon
Ext No: 2002
Date: 17 October 2019

Dear Ms Fletcher

I write in support of Northumbrian Water's proposals in its Business Plan for 2020-25 to invest in schemes to alleviate future flooding in our region due to climate change and urban creep.

I welcome the fact that Northumbrian Water is proposing a significant bill reduction for customers over that period of more than 17%. I am also pleased to see that the company was the first to commit to eradicating water poverty in its operating area by 2030, and has invested in a national water poverty unit in partnership with National Energy Action to help to achieve this.

In the context of this commitment to ensuring bills are affordable, it is right that the company consulted its customers over whether they wanted even further bill reductions or to see more investment in schemes to improve the resilience of water and wastewater networks. Residents in our area expect the company to plan for the future, and to invest in its infrastructure in order to plan for population growth, climate change and the potential for more severe weather events. These are significant issues in the North East, but we have a good track record here of working in partnership with Northumbrian Water and other agencies to deliver innovative solutions.

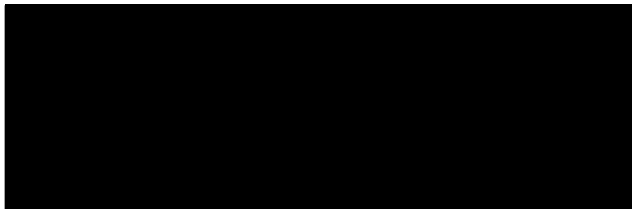
I understand that Northumbrian Water customers, when presented with the choice of large bill reductions or investment now to reduce the risk of more serious problems happening in the future, clearly indicated the company should invest now, with 91% accepting the plan the company developed.

Within the Tyne & Wear area, this would include an investment of around £41m to provide flood risk reduction to approximately 4,371 properties from a range of rainfall events.

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Striking the right balance between affordable bills today, and investing to ensure future generations have a resilient service, is clearly an important judgment, particularly given our understanding of growing environmental pressures. Residents across Tyne & Wear have recognised that in what they have asked Northumbrian Water to deliver over the next five years, and I would urge you to support their choices by taking a long-term view and ensuring the company's plan to deliver this package of schemes is financeable as you make your determination.

Yours sincerely



Councillor Martin Gannon
Leader of the Council