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By email - [REDACTED]

Mr Lawrence Gosden
Chief Executive Officer
Southern Water
Southern House,
Yeoman Road,
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BN13 3NX

28 April 2023

Dear Lawrence

December 2022 freeze-thaw follow up

Thank you for Southern Water's response to our letter dated 16 January 2023. It was also timely to hear about your plans for improving how you manage significant incidents as part of our broader meeting on Southern Water's turnaround plan on 18 April 2023.

We have been reviewing your response, alongside the information provided by other water companies. Whilst our focus has been on the December freeze-thaw event, it is concerning to hear that Southern Water customers have recently experienced several large-scale water disruption incidents.

Whilst recognising that the nature of these interruptions has been different, each has caused significant disruption, including to some of the same customers. As a result, Hampshire's local authority leaders wrote to you on behalf of their constituents on 24 February 2023 expressing their concerns and seeking reassurance. Note your 7 March 2023 company response.

Ofwat expects companies to be proactive in taking the necessary steps to learn from and make improvements following incidents such as these and we note your April 2023 turnaround plan includes actions to drive improvements in the delivery of a reliable supply of water to your customers. We expect you to prioritise the strategic issues identified by local authority leaders, such as better targeting and staffing of bottled water distribution at affected population centres to ensure all customer needs are met. This was an area of particular concern we identified in Southern Water's response to the December 2022 freeze

thaw event. We expect to see support being better targeted where it is needed during outages, with robust processes in place for identifying and delivering bottled water to individuals who are most vulnerable in terms of dependency.

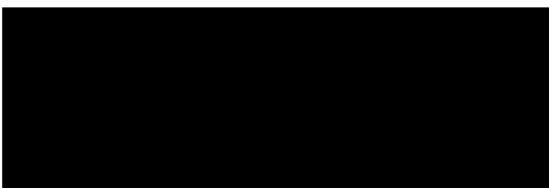
We welcome the commitment you made at our recent meeting to change your approach, including your commitment to improving pallet deliveries that will ensure that customers can benefit from accessing more pallets of water in different locations during loss of supply incidents.

Your recent response to local authority leaders also highlights your plans to convene a biannual forum to encourage closer working arrangements. At our recent meeting, we agreed that you would keep us updated on the progress of these discussions. We would like to be updated on the outcome of the first meeting including agreed actions through our mailbox: customerfocus@ofwat.gov.uk.

Your engagement will be an important step for restoring customer trust and encouraging dialogue and discussion. We will continue to monitor Southern Water's preparedness and response to future supply interruptions and expect to see improvements in how these events are handled, as well as how customers are prioritised, with vulnerable customers and sites appropriately supported.

I am copying this letter to the leaders of the council's that wrote to you, for their information.

Yours sincerely,



John Russell

Senior Director, Strategy, Finance and Infrastructure