

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Thames Water update	
REPORT OF Thames Water	
FOR SUBMISSION TO Culture and Environment Scrutiny Committee	DATE 24 February 2025
<p>SUMMARY OF REPORT</p> <p>This report provides an update on works and investment carried out by Thames Water in Camden as well as progress on the issues raised at the last Scrutiny meeting the organisations representative attended in January 2024.</p> <p>The report was written before a decision had been taken on whether to ask the Competition and Markets Authority</p> <p>Local Government Act 1972 – Access to Information</p> <p>No documents that require listing were used in the preparation of this report.</p> <p>Contact Officer:</p> <p>Michael Benke (Stakeholder Engagement Manager) Tel: 07747 645825 Email: michael.benke@thameswater.co.uk</p>	
<p>RECOMMENDATIONS</p> <p>That the Culture and Environment Committee note and comment on the contents of this report.</p>	

Signed: Michael Benke

Date: 13/02/2025

1. Purpose of Report (and Reason for Urgency)

- 1.1 This report provides an update on works and investment carried out by Thames Water in Camden.
- 1.2 Thames Water have been invited to attend the Culture and Environment Scrutiny Committee to report back on progress made on the issues raised at the last Scrutiny meeting the organisations representatives attended in January 2024.

2. Overview

The water industry works in five-year cycles (known as an Asset Management Period, or 'AMP') with a business plan submitted to Ofwat prior to each cycle. Ofwat assesses these plans before deciding how much companies can raise through bills to invest in their assets and spend on day to day operations, as well as defining the outcomes companies are required to achieve.

Thames Water received Ofwat's decisions on price limits and outcomes (known as the 'Final Determination') on 19th December 2024 for the period from April 2025-March 2030 period (known as AMP8) which we are now considering. We have until 18th February to decide whether we will challenge this final determination by asking for it to be referred to the Competition and Markets Authority (CMA).

If we decide to challenge the determination, the CMA will review our entire business plan for AMP8. This will not result in any change to the prices customers pay or outcomes we would be required to deliver in the first year of the period. It could result to changes in subsequent years.

Whether or not we accept the Final Determination, there are limits at this early point since receiving the Final Determination to how specific we can be about future plans for Camden, or any other borough, as work to develop our detailed programmes of work for specific locations continues.

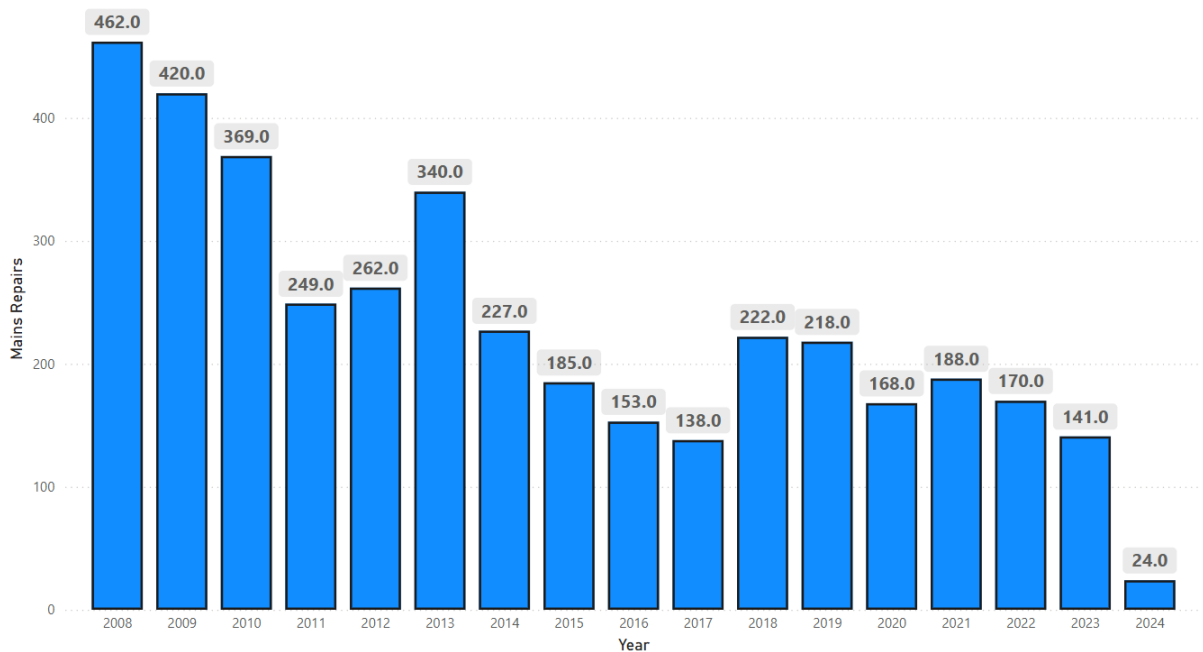
However, the key headlines from our plan which we submitted to Ofwat are:

- Reduce leakage from our pipes by a fifth
- Cut interruptions to water supplies by 11%
- Continue to provide existing high standards of drinking water
- Reducing storm overflows by a third
- Reducing the total number of pollution incidents by 30%
- Reduce the number of incidents of sewer flooding at customers' homes by 15%
- Provide 1 in 10 households with meaningful support on their bills

3. Mains Replacement

Since 2000, we have replaced approximately 240km of mains across Camden, including several kilometres in the last year. As a result, we have seen a clear decline in bursts across the borough which has contributed to Thames Water achieving its lowest ever leakage rate across its region last year.

Across 2023, we needed to carry out 141 repairs on our water network in Camden, which compares with 462 in 2008, demonstrating a clear decline as a result of mains replacement work. The table below shows how many repairs have been carried out in Camden each year. Please note, the 2024 bar only shows numbers up until September.



In AMP8, there are plans to replace a more of our mains in Camden and we will provide further details once work has been completed to develop the programme of work we will deliver.

However, we do intend to start one project in the coming months, which will encompass parts of Haringey and Camden. For this, we will replace just over 25km of pipe, some of which will be in the Vale of Health.

4. Wider London Investment

Camden's water supply is derived from five key water treatment works across London; Coppermills, Kempton Park, Ashford Common, Walton and Hampton.

Across the period from this AMP periods and into the following five years, we are investing over £860 million across these sites to improve the resilience of our water network.

Coppermills - £560m investment in power supply upgrades, pumping station upgrades, disinfection upgrades and process and structural upgrades

Kempton Park - £22m investment in power supply upgrades, security and water quality upgrades.

Ashford Common - £110m investment in power supply upgrades, security and disinfection upgrades.

Walton - £25m investment in power supply upgrades, pump upgrades, and water quality improvements

Hampton - £144m investment in power supply upgrades, pump upgrades, and water quality upgrades

5. Belsize Road

There have been two significant bursts on Belsize Road in recent years. The first occurred on a 42-inch diameter pipe in December 2022, with the second on a 15-inch diameter pipe in September 2023.

During our last appearance before the committee in 2024, we agreed to consider the results of the council's ground penetration survey. This was sent to us in January and we are examining the results.

Our own investigations found the primary cause of the December 2022 burst was ground movement following a long, dry summer and then a wet winter, which caused ground movement that in turn disturbed the pipe. The 42-inch pipe has a relatively low burst history beyond the 2022 incident and is in relatively good condition. There are therefore no plans to replace this pipe in the coming five years.

On the other hand, while we do not believe there is an imminent risk with the 15-inch pipe bursting again, this is not in as strong condition. Therefore, we are making the case to Ofwat that this pipe should be replaced within AMP8. As part of the Final Determination, Ofwat has given the option for additional

funding for mains replacement if the need can be evidenced. The 15-inch pipe will be included in this programme. Details will be shared with the council and residents once we have them.

6. Quality of Reinstatements

During last year's committee appearance, members raised the length of time taken for reinstatements, with several cases in Goodge Street highlighted. Original paving has now been installed at both sites in question.

These sites took longer than planned due to the need to bring specialist material from an overseas supplier. We are sorry for the delay in completing the original reinstatement but everything was done to speed up the process.

We always aim to return roads and pathways to their original state as soon as our work is complete and we are currently operating at a 95% success, with us using temporary repairs in 5% of cases. We will always endeavour to complete these cases within allowed six months.

7. Sewer Flooding Protection

Responsibility for dealing with flooding sits with a number of organisations depending on the nature of the flood, with Thames Water being responsible for flooding from sewers while Lead Local Flood Authorities are responsible for surface water flooding.

Following the extreme storm which hit Camden and other boroughs in 2021, we carried out our Sewer Flooding Resilience Programme across the impacted area. We contacted residents living in the area affected by the storms through a combination of letters, door-knocking, drop-ins and social media posts, as well as directly engaging with community groups. More than 200 properties in the borough which either reported flooding or which we suspected of being flooded were reached. Our offer was to survey the sewer connections to assess the level of flood risk and provide protection for those at the highest level of risk.

In total, 61 responded with surveys carried out at all these properties. As a result, we have installed protection at 44 of them. Depending on the sewer connection, this was either a non-return valve at the property, a FLIP at the property or a device in the sewer itself. These are all different devices which essentially prevent water from backing up into the property through the sewers when they are at full.

This work was carried out along Belsize Road, Fairhazel Gardens, Goldhurst Terrace and Priory Road.

For those where no action was taken, the flood-risk was either from surface flooding, so sewer protection would not help, or the risk of flooding was low.

However, to tackle the wider risk of flooding, collaborative work is essential which is why we are playing a central role in the London Surface Water Strategy Group, along with London Councils, the Greater London Authority and the Environment Agency. This organisation is developing a strategy to manage surface water flood risk in London, which will in turn prevent our sewers and the drainage networks of others becoming overwhelmed.

It will also explore ways to make it easier for flood risk management bodies to gain access to funding and raise awareness about what communities can do to reduce flood risk.

The strategy is due to be published in the coming months.

8. Customer Support

Within Camden, there are more than 14,000 households currently receiving meaningful support on their bills, with the overwhelming majority seeing their bill halved. With bills set to rise, we know the pressure will rise so are looking to increase this figure.

Across the water industry, bills have decreased in real terms almost every year since 2010. Going back further, bills rose sharply immediately after privatisation but are now at a similar level to the turn of the century.

The problem is compounded for Thames Water as we have the oldest and most complex assets of any company in the sector and yet our bills have even been below the industry average for the vast majority of the period since privatisation.

For us to cater for growth, manage the impacts of climate change and continue delivering clean water and taking away wastewater from millions of homes, it is vital we invest in our network and infrastructure over the next five years.

Extra funding is now essential to make improvements to our services, maintain high water quality and look after the environment.

We understand the challenges many people are facing so we offer comprehensive support for customers struggling to pay their bill, rated among

the best in the sector, which we will expand significantly over the next five years.

We already help 450,000 customers to access the right financial support for them, including grants, payment plans and debt matching. By 2030 we are working to increase this to 645,000.

9. River Health

We share the ambition for London's rivers to be clean, healthy, vibrant for nature and where appropriate, safe for swimming. We are committed to playing our part to help achieve this vision alongside others whose actions impact river water quality.

In Camden, there are no Combined Sewer Overflows, which allow sewers to overflow into watercourses when they reach capacity in order to protect homes and businesses from flood risk. However, as Camden is part of the catchment area whose drainage leads to the Thames, the completion of the Thames Tideway Tunnel will provide a huge benefit in the way that the Borough's wastewater is managed.

This month will see the activation of the third stage of improvements which in total will reduce discharges into the Tidal Thames River by 95%. The three stages comprise:

1: Between 2010 and 2015 Thames Water invested £675m to complete upgrades at five sewage works on the tidal Thames (Mogden, Beckton, Crossness, Long Reach and Dartford) reducing discharges by 40%

2: Work on the Lee Tunnel, capturing the single biggest discharge at Abbey Mills pumping station in Newham, began in 2010 and the project became operational in 2016, taking the cumulative reduction of discharges to 55%. The Tunnel, which cost £700m to complete, can accept the equivalent of nearly one and a half Olympic swimming pools of water and sewage every minute. There have been no discharges of storm-diluted sewage from Abbey Mills Pumping station since the building and commissioning of the Lee Tunnel.

3: The £4.6bn Thames Tideway Tunnel is now fully operational and will take the cumulative reduction in discharges to 95%. In one instance in December 2024, the 26km Tunnel kept half a million cubic litres of rain and untreated sewage out of the river in a single 24-hour period.

While this is a major milestone, we know there is more to do which is why we have signed up to the Mayor of London's campaign to improve the health of

London's rivers. This will include a continued programme of investment to reduce overflows of storm sewage, focusing on the tributaries of the Thames. It will include a major programme of proactive maintenance and investment at London's major STWs.

10. Finance Comments of the Executive Director Corporate Services

There are no financial implications to be reported.

11. Legal Comments of the Borough Solicitor

There are no legal comments arising from this report.

12. Environmental Implications

There are none for this report.

13. Appendices

None

REPORT ENDS