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# OUR PURPOSE

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2024/25

**NORTHUMBRIAN**  
**WATER** *living water*

**ESSEX & SUFFOLK**  
**WATER** *living water*





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# WELCOME FROM HEIDI

Our Purpose drives all our actions, serving as the guiding compass for our decision-making. Our success has always been defined by more than just financial value. This annual report is designed to share the broader impact we create, highlighting the meaningful contributions we make to the environment and wider society as we work to fulfil our purpose.

# WELCOME FROM HEIDI

**This year marks a significant milestone in our journey to embed purpose at the heart of everything we do. We've strengthened our governance by establishing an Environment, Social and Governance (ESG) Board Committee and, in December 2024, updated our Articles of Association to reflect our commitment to being a socially and environmentally responsible business. This change, aligned with BCorp best practice, is the result of five years of dedicated work by our Board and Executive Leadership Team to define, embed, and live our purpose**

We know that trust must be earned every day. In the latest CCW Water Matters deep dive, both Northumbrian Water and Essex & Suffolk Water were among the most trusted water companies in the country - our trust scores are significantly above the industry average and continue to rise.

This reflects our relentless focus on delivering what matters most to our customers: a clean, clear and reliable supply of water, great customer service, and care for the environment and our communities.

Caring for the environment is a core element of our purpose. We are proud to be one of only a handful of companies to have reduced storm overflows in 2024. Our smart network - the largest of its kind in the world - is powered by AI and is helping us to predict and prevent issues before they happen. We're also leading world-class research into new wastewater treatment processes and pioneering biodiversity initiatives through partnerships that deliver real environmental benefits.

While we are disappointed to have missed our discharge permit compliance targets, we are investing heavily to improve - and the results are already showing. We've now gone several months without a single failure in 2025, a clear sign that our plans and diligence are delivering real progress.

We have deliberately set ourselves stretching targets - ones that go beyond regulatory requirements and reflect our ambition to lead the sector. While this means we may not always hit every mark, it ensures we are constantly pushing the boundaries of what's possible for our customers, communities, and the environment.

We recognise our performance could be better and have developed a tactical plan to improve, highlighting our desire to be industry leading.

The plan includes over 60 specific interventions, such as improving data reporting points for better data accuracy and conducting thorough condition surveys for mechanical assets.

We continue to reinvest 60p of every £1 we spend back into our regions - supporting thousands of local jobs, creating apprenticeships, and adding billions to the local economy - because we believe in building lasting value for the communities we serve. Our commitment to purpose is also reflected in our people. Over half of our colleagues volunteered their time and skills this year, supporting more than 700 charities and completing over 2,700 community activities.

This year, our commitment to living our purpose was recognised through significant external accreditations. To be recognised by Ethisphere, for example, as one of the World's Most Ethical Companies, an organisation must demonstrate exceptional standards in ethics and compliance, corporate governance, social responsibility, and a strong culture of integrity.

None of these achievements would be possible without the right people, with the right skills, in the right culture, enabled to deliver customer-focused business objectives and thrive in an evolving world of work.

I am immensely proud of the work that my colleagues do every day, often in difficult circumstances, to ensure that our customers have reliable and affordable water and wastewater services.

This report is intended to give our stakeholders a clear view of how we are upholding our purpose.

It complements our Annual Performance Report and Financial Statements, which offer detailed insights into our regulatory and financial performance. This year we have decided to restructure our existing Our Purpose report for the 2024/25 reporting period. The new structure includes Environment, Social, and Governance (ESG) sections, with each containing the original areas of the Our Purpose report. A full ESG report will be produced from the 2025/26 reporting period onwards.



Heidi Mottram, CEO

**Heidi Mottram CBE**  
CEO

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# **WATER FORUM STATEMENT**

The Water Forum is an independent Customer Challenge Group (ICG), and we welcome Northumbrian Water's annual publication of the Our Purpose Report. Alongside the Annual Performance Report, it provides customers with a valuable opportunity to assess how well their water company is performing and what steps it is taking to improve.

# WATER FORUM STATEMENT

**The Water Forum is an independent Customer Challenge Group (ICG), and we welcome Northumbrian Water's publication of an Our Purpose Report each year – alongside the Annual Performance Report [add hyperlink], it gives customers a good opportunity to form a view about how well their water company is performing and what it is doing to improve.**

The company has stated its purpose – that it exists to 'care for the essential needs of its communities and environment, now and for generations to come; doing this by providing reliable and affordable water and wastewater services for customers; and making a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.'

There are many positive, fresh and innovative examples of how it is delivering against the different elements of this purpose, which you will read about in this report.

The "Bluespaces" programme ([page 14](#)) is enabling people to enjoy spending time by the water in their local environment. It has been a very successful five-year initiative that is an excellent example of how a water company can engage with and involve its local customers and communities.

Innovation has long been high on NWL's agenda and there are some great examples about how this is being delivered. The OpsMod innovation ([page 21](#)) means that an already successful process of transforming sewage into sustainable biofuel is now delivering even greater benefits, saving over £1m so far. An example of continuous improvement that is a feature of many conversations with the company at our Water Forum meetings.

There are two great examples in this report of NWL seeking to adopt leading-edge technology: the use of generative AI to save millions of pounds and improve environmental impacts by helping staff to optimise the chemicals doses they make at water treatment works ([page 24](#)); and the trial of LeakBot that is showing positive early results in helping customers reduce how much water they use by detecting leaks in their homes early ([page 37](#)).

Alongside the case studies of technology projects, there are many very human stories about social impact – including the company's involvement with Kafubu Water in Zambia ([page 34](#)), where a partnership is enabling people from both organisations to share and learn from each other.

This year has seen a significant fall in performance by the water industry at a national level and also in customers' perceptions of the industry's performance. We recognise that Northumbrian Water and Essex & Suffolk Water are still amongst the most trusted water companies as shown in the CCW Water Matters Report. That said, there is a mixed picture when it comes to performance, and it has slipped in some areas. When asked directly for their opinions about how well Northumbrian Water is delivering against its purpose, the results of the tracking survey show the company not only fell short of its own targets for all three questions, but there has also been a significant decline compared to last year and a continued downward trend over four years ([page 62](#)).

We recognise that these results are against the backdrop of a lot of public attention on the water industry and are pleased that NWL has undertaken to act on our feedback in last year's Our Purpose report, which was to engage further with customers to understand the scores in more granular detail and to build trust ([page 62](#)). Spending over 60p in every pound within the local supply chains ([page 29](#)) is a very positive story that should be able to contribute to building trust, especially with the unprecedented level of industry investment in the next five years to address issues such as the impact of combined sewage overflow infrastructure. Local Action is another.

One in seven of Northumbrian Water's customers are now in 'water poverty', so it has never been more important that the company is innovative, smart and efficient with customers' money; and that it establishes meaningful solutions for supporting customers who find themselves in vulnerable circumstances. Through the purpose-led approaches in this report, the Water Forum is encouraged that the team at Northumbrian Water is focused on both important matters, and we will continue to provide constructive, independent challenge in the year ahead.

**Robert Light, Water Forum Chair**





# ABOUT US

Our vision is to be the national leader in sustainable water and wastewater services.



# ABOUT US

## Our vision is to be the national leader in sustainable water and wastewater services.

We provide water and wastewater services to our customers in the North East of England, trading as Northumbrian Water (NW), and water services only to our customers in the south east of England, trading as Essex & Suffolk Water (ESW).

We employ over **3,000** people.

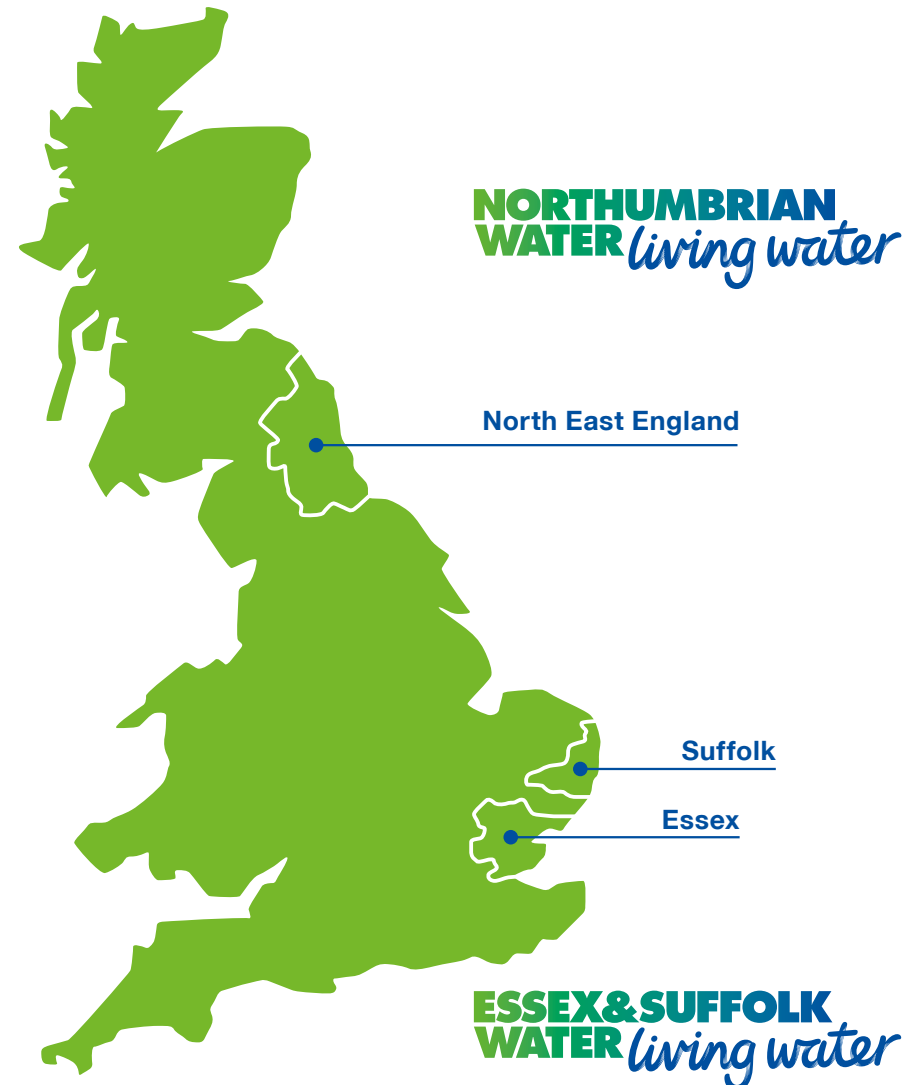
NW supplies water and wastewater services to **2.7 million** people in the major population centres of Tyneside, Wearside and Teesside as well as the large rural areas of Northumberland and County Durham. In Hartlepool, we only provide wastewater services.

ESW supplies water services to **1.8 million** people in Essex and **0.3 million** in Suffolk. Our Essex area is part rural and part urban and includes the main population centres of Chelmsford, Southend and the London Boroughs of Barking and Dagenham and Havering and Redbridge. Our Suffolk area is mainly rural with the largest towns being Lowestoft, in Suffolk, and Great Yarmouth, in Norfolk..

We operate and maintain:

- **50** water treatment works;
- **384** water pumping stations;
- **304** water service reservoirs;
- **26,536km** of water mains;
- **411** sewage treatment works;
- **972** sewage pumping stations; and
- **30,302km** of sewers.

Every day we supply **1.1 billion** litres of water.







# OUR PURPOSE

Our Purpose statement sets out a shared understanding of why our company exists. The Our Purpose Report for 2024/25 describes performance against a series of set progress measures and detailed case studies of how we live this out in practice. Previous versions of this report can be found [here](#).

# OUR PURPOSE

## Our Purpose

Our Purpose is: caring for the essential needs of our communities and environment, now and for generations to come; we do this by providing reliable and affordable water and wastewater services for our customers; we make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.

**Our Purpose is the reason we exist, and it guides our strategy.**

## Our vision

Our vision sits alongside our purpose and clearly sets out what we want to achieve, to be the national leader in the provision of sustainable water and wastewater services.

## Our strategic themes

We aim to deliver our vision through our five strategic themes of Customer, Environment, Competitiveness, People and Communities.

## Our values

Our values set out how we behave to deliver our purpose and vision. These are well recognised and understood across the business.

## Our reputation

How we perform and how we behave underpins our reputation which is of great importance. Building trust among our customers and wider stakeholders is crucial to achieving our purpose.

## Our business model





# **ENVIRONMENT**

Caring for the long-term needs  
of the environment



# OVERVIEW OF OUR ENVIRONMENTAL PERFORMANCE

**Our business could not be successful without a sustainable, high quality water environment. We take water from the environment, and after treating it to a high standard we deliver it to our customers for them to use as drinking water. We are then responsible for taking their wastewater away and returning it to the environment after a careful treatment process (NW only). It is therefore essential that we protect this precious resource and pass on a thriving environment to future generations.**

In September 2023 we launched 'Restore and Regenerate: Our Environment Strategy to 2050'.

This strategy builds on what we have already achieved and sets our direction for the future – to achieve our environmental ambition: Together, we are restoring and regenerating our natural environment, creating a better place through our actions.

The strategy has five Environmental Priorities that contribute to this ambition:

- Water management for the environment and people.
- Healthy catchments, rivers and coastal waters.
- Effective climate action.
- Valuing resources and eliminating waste.
- Thriving nature and communities.

We have had zero serious pollution incidents for three years running.

We've been investing significantly in improving discharge compliance and have seen marked improvements over the past 6-10 months. Our management team remains focused on exceeding these performance expectations and delivering the highest standards of service to our customers.

We carried out workshops to address discharge compliance and have identified over 60 specific interventions. One of the key interventions is improving the reporting points in the Supervisory Control and Data Acquisition (SCADA) system.

This enhancement aims to better monitor and manage compliance by providing more accurate and timely data. Thorough condition surveys for mechanical assets will be carried out to identify potential issues and plan for necessary maintenance or replacements. This proactive approach ensures that the infrastructure remains reliable and compliant.

Additional training will be provided to staff, including engineering and maintenance teams, to make sure they are well-equipped to handle compliance-related tasks. A hyper-care programme will also be developed for high-risk sites, which includes additional training, asset condition reviews, and critical spares reviews. Root Cause Analysis (RCA) will be implemented to identify the root causes of compliance failures and take corrective actions to prevent recurrence. Additionally, a compliance dashboard will be created to monitor and manage compliance performance in real-time. Another significant intervention is the installation and increased monitoring of turbidity and temperature at wastewater treatment sites, providing additional data to identify potential issues with treatment processes. These interventions are scored against ease of implementation versus their relative benefit to make sure the most effective measures are prioritised.

Our commitment to investing in monitoring systems for storm overflows is delivering real, measurable results. By harnessing near real-time data on final effluent and in-river conditions, we're not just identifying discharges - we're actively preventing them.

This proactive approach is transforming how we manage environmental risk, ensuring faster responses, stronger compliance, and greater transparency.

A major milestone in this journey is the successful launch of the UK's first operational smart sewer network. Using AI and hundreds of sensors, the system predicts where and when rainfall will impact capacity, automatically redirecting flows to reduce the risk of spills. This innovation has already proven its value - every smart sewer activation during February's storms prevented overflows that would otherwise have occurred.

As a result of these investments, we've seen a year-on-year reduction in both the frequency and duration of storm overflow events, even in the face of extreme weather. These improvements not only protect water quality and ecosystems but also build public trust by making monitoring data openly available. They also support our broader sustainability goals - reducing our environmental footprint and enabling smarter, more resilient decision-making for the future.





As always, our approach is underpinned by strong partnership working. Along with the Environment Agency, Natural England, The Rivers Trust, and Catchment Partnerships we have worked hard towards eliminating impediments achieving good ecological status in our rivers. This collaboration has been crucial in identifying and addressing environmental risks.

We have a strong history of successfully working with communities to address shared challenges through partnerships, such as the Northumbria Integrated Drainage Partnership (NIDP) and the Thriving Catchments Initiative.

By working with partners through our grant schemes - Branch Out, Bluespaces and Field to Tap - our holistic approach to supporting the environment has delivered improvements to public access, facilities, water quality and biodiversity.

We have made several pledges in [A vision for our coasts and rivers](#) to improve environmental performance, such as by reducing spills from storm overflows and improving coastal bathing waters. These pledges are part of our broader commitment to sustainability and environmental stewardship.

We're committed to making rivers and beaches the best in the country. We've cut phosphorus in wastewater more than any other company and exceeded water environment targets.

We continue to have a high level of bathing waters with EA agreed categorisation of "excellent" or "good". This year we again achieved 33 bathing waters as "excellent" or "good". The two bathing waters that haven't met our target are Cullercoats (Poor) and a newly designated site in South Tyneside called Littlehaven (Poor). We continue to work in partnership to make improvements and maintain standards as seawater quality can be affected by many different sources of bacteria, such as run-off from agriculture, seabirds and urban pollution, as well as from our assets. This includes working closely with the Environment Agency and local authorities to understand bathing water quality compliance issues and identify priority beaches for closer attention.

Our 2025-30 plan includes £1.7 billion for the environment, with c.£1 billion for storm overflows. We'll reduce nutrient pollution, boost biodiversity, and monitor rivers for future improvements, focusing on sustainable solutions and partnerships to protect and restore nature.

We have also been successful at reducing operational greenhouse gas emissions, cutting them to just 16.25 thousand tonnes of CO<sub>2</sub>, an improvement on last year, and earning a c£8m reward. This was achieved through a range of initiatives including large-scale solar installations, full energy recovery from sewage sludge, renewable electricity use, and cleaner transport solutions.



# **CASE STUDY:** **ENVIRONMENT**

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Bluespaces programme



# Case Study: Bluespaces programme

## Challenge

We wanted to improve environments where our customers could enjoy being by water, while also enhancing these areas for wildlife. We aimed to create better spaces for both people and nature, addressing the need for improved access, recreational facilities, wildlife biodiversity, and water quality.



## Action

To tackle this challenge, we launched the Bluespaces programme, collaborating with local environmental and catchment partners.

From 2020 to 2025, Bluespaces supported 59 projects, improving 248.1km of accessible water environments, including lakes, reservoirs, streams, rivers, canals, wetlands, coasts, and beaches.

Each project focused on at least two of the three key improvement areas: access and recreational facilities, wildlife and biodiversity, and water quality.

## Impact

Specific benefits delivered include planting trees, engaging volunteers, involving members of the public, creating new wetland, hosting public engagement and training events, and installing new benches.

Our co-funding has helped create over 40 fish passage features and tackle 8 different invasive non-native species (INNS), enhancing access and recreational facilities for local communities.

To date, we have invested £0.99 million in the programme, matched by partner co-funding estimated at £21 million.

We will continue to invest in water environment improvements for our customers through our pledge to improve 500 km of Bluespaces by 2030.

Specific benefits delivered include planting

**19,000** trees

engaging **6,300** volunteers

involving **18,700** members of the public

creating **417** ha of new wetland

and hosting almost **500** public and training events.

We have invested **£0.99m** in the programme



# CASE STUDY: ENVIRONMENT

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Local Action campaign

# Case Study: Local Action campaign

## Challenge

We have seen a decline in customer and stakeholder trust scores, and this has been replicated across all our measurement programmes, although we continue to lead the industry in this measure.

The general election in July brought an almost entirely new set of political stakeholders to inform and engage with on our activities.

These factors, alongside the launch of our Environment Strategy to 2050, made it critical that we communicated clearly, quickly and effectively with our stakeholders and communities, while taking time to listen to, understand and act on their concerns.

## Action

To address these challenges, we developed the Local Action campaign.

Using data and insights, we piloted a series of hyper-local events, taking our people and messages directly into the heart of communities. We engaged with customers and stakeholders in local community centres and village halls, discussing the environmental issues that mattered most to them in a language they understood.

This approach focused on meaningful, high-quality, two-way conversations, allowing us to build a network of community advocates for our work and plans. This allowed for more inclusive and impactful engagements, fostering relationships and creating an environment where emotional conversations could take place.

## Impact

The Local Action campaign has had a significant positive impact.

The pilot was a huge success, not only in terms of delivery but in the impact it achieved. The high email open rate and extensive reach weren't just communications metrics - they were evidence that our messages landed. They show that people received and engaged with our content, and importantly, that they were aware we were present in their communities, actively listening and inviting views.

This level of engagement helped build trust and visibility, reinforcing our role as a responsible and responsive organisation. It also meant that more people were informed about our environmental plans and saw us as a valued part of their local area - outcomes that go beyond numbers and speak to the strength of our relationships.

Attendees reported feeling more informed about our environmental plans. They also saw us as an important part of their local communities, with scores averaging 8.8 out of 10, which is higher than our overall domestic tracking programme scores.

This campaign contributes to us retaining the number one spot for C-Mex (the industry customer experience measure) and remaining one of the most trusted water companies.

**64.5%** email open rate for communications

**738,174** reach for over **23 events**

Feeling informed about our environment plans increased from **5.1 to 8** out of 10 on average





# OUR PROGRESS TO NET ZERO

## We are committed to achieving net zero emissions, with an initial target to reduce operational emissions by 2027.

Since 2019/20, we have made significant progress, reducing these emissions by 72%. As our understanding of emissions has advanced, we have broadened our target to achieve net zero for all our emissions by 2050. This includes sources such as wastewater, supply chain emissions, capital construction, and chemical use.

Our approach involves setting long-term climate goals approved by the Science Based Targets initiative (SBTi). Guided by ISO50001 standards and a detailed Energy Savings Opportunity Scheme plan by 2025, we aim to align our greenhouse gas reduction plans with the Paris Agreement’s commitment to limit warming to 1.5 degrees above pre-industrial levels.

Achieving net zero requires transforming our operations and supply chain, from optimising energy usage to pioneering low-carbon materials and processes.

We are accelerating our transition to 100% low-carbon electricity and developing local energy projects that deliver benefits for both the environment and the communities we serve. As part of our decarbonisation strategy, we plan to electrify nearly a third of our light commercial vehicle fleet by 2030. This year, we also became one of only two water companies to sign the Net Zero Carbon Construction Pledge, demonstrating sector

leadership and a firm commitment to reducing embedded carbon in our capital programme.

This pledge aligns with our broader ambition to reach net zero by 2050 and reinforces our belief that collaboration, across sectors and with stakeholders, is essential to driving collective progress. By taking bold, early action, we’re not only reducing emissions but also helping to shape a lower-carbon future for the entire construction and infrastructure sector.

Water and wastewater treatment are energy intensive activities, and solar power helps us to reduce our carbon footprint, make our network more resilient and keep customer bills low, while we also explore innovative ways to reduce our energy consumption overall.

In 2022, we took a big step forward in our pursuit of net zero. Most notably an array of 3,600 solar panels was installed at Lumley water treatment works along with further arrays over the next few years at Sedgelych, Billingham, Newton Aycliffe and Blyth sewage treatment works.

In March last year we commissioned more than 15,000 solar panels at Broken Scar water treatment works. The solar array at Broken Scar will produce energy to power nearly 3,000 homes and will help avoid more than 2,500 tonnes of CO2 emissions. Going even further, the site is also managed for biodiversity benefit – with the grassland under the panels sensitively managed, new hedgerows created and a small woodland being planted on the riverbank.

This ecological activity will produce Biodiversity Net Gain (BNG) certificates that will contribute to our planning obligations for the 2025-30

Business Plan – and these BNG certificates are costing less than 50% of the market value, so as well as being good for the planet they are good for customer bills too.

During the Innovation Festival 2024, the Energy and Decarbonisation team hosted a sprint in collaboration with Net Zero North East England. The focus of this sprint was on the topic, “Can carbon offsets deliver positive change in the North East region?”. The event aimed to explore the potential of carbon offsets to contribute to the region’s environmental goals and drive positive change. At the Net Zero North East England Annual Summit later that year, North East Mayor Kim McGuinness announced plans for a North East Carbon Marketplace. This initiative will allow organisations in the region to offset their carbon emissions by investing in local carbon-saving projects, ensuring the benefits are felt by the community.

Our CEO, Heidi Mottram, is Co-Chair of Net Zero North East England, and opened the summit by highlighting a shared commitment to addressing the pressing challenge of achieving net zero operations by 2050. She discussed several key initiatives, such as our industry adopted ‘Bin the Wipe’ campaign, our relentless efforts to conserve water, and support for local businesses.

As part of the summit, we also hosted a site visit to Howdon, showcasing the green power station and net zero journey, which received positive feedback from attendees and stakeholders.

We are actively involved in educating and raising awareness internally about achieving net zero through an upcoming e-learning module.

We continue to improve and build on our current portfolio and investigating more renewable projects within NWG.

Environment				
Accreditations				
ISO14001 Environmental management				
ISO14064-1 Greenhouse gas emissions				
Measures	2021/22	2022/23	2023/24	2024/25
EPA star rating	4 star	3 star	3 star	TBC by EA
Pollution incidents per 10,000km sewers	22.98	19.98	32.97	38.97
Water environment improvements	34.6km	33.1km	31.9km	118.3km
Bathing water quality	33/34	33/34	32/34	33/35
Net greenhouse gas GHG emissions (reduction against 2019/20 baseline)	45,182	23,445	49,307	52,374



# **CASE STUDY:** **ENVIRONMENT**

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Transforming sewage into  
sustainable biofuel



# Case Study: Transforming sewage into sustainable fuel

## Challenge

Advanced Anaerobic Digestion (AAD) was a transformative technology for us and the wider water sector, revolutionising the treatment of sludge. This process allowed us to move away from the unsustainable drying of sewage sludge and enabled the production of renewable fuel in the form of biogas. This biogas could be supplied to the national gas grid or used to generate power.

However, two by-products of this process remained problematic: a highly concentrated effluent stream, which cost the business approximately £1 million per year to treat, and carbon dioxide emissions resulting from our biogas upgrading process.

## Action

The Green Machine, harnesses the natural power of algae to remediate the effluent stream, capture carbon dioxide, and produce sustainable fuel.

The journey began in 2016 when a genetically unique species of microalgae was discovered in a decommissioned tank. Over the next seven years, we developed a process that harnessed the power of algae and its natural affinity for nutrients like ammonia and phosphorus to remediate wastewater. During development, we found that injecting CO<sub>2</sub> was crucial for success. At our gas injection plant, we remove CO<sub>2</sub> from biogas to produce biomethane. Instead of releasing this CO<sub>2</sub> into the atmosphere, we can now capture it to grow algae, which helps clean the wastewater.

We committed to building a fully integrated process unit at Bran Sands effluent treatment works, where every aspect of the technology would be tested in a live environment at full process scale, but we were left with the algae produced. The solution was green fuel. Due to the algae's ability to transform nutrients into complex compounds such as proteins and lipids, many fuels could be derived from it. Through collaboration with universities and technology providers, and using a process called Hydrothermal Liquefaction, we could transform this biomass into sustainable biofuel.

## Impact

As a result of this project, we are now on track to operate the largest algae production facility in the UK by the end of 2025. This facility will further scale the process and develop the production capacity of biomass, creating more opportunities to recover resources from wastewater.

We can now on track to operate the **largest algae** production facility in the UK by the end of **2025**.





# **CASE STUDY:** **ENVIRONMENT**

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Achieving net-zero carbon goals with the OpsMod project



# Case Study: Achieving net-zero carbon goals with the OpsMod project

## Challenge

Over the past year, we faced the significant challenge of reducing our carbon footprint and optimising energy use at our wastewater treatment sites.



## Action

We launched the OpsMod project, an initiative that has since won the Digitalisation Project of the Year at the Water Industry Awards. The project focuses on optimising energy use and managing carbon emissions at our wastewater treatment sites. By collaborating with Newcastle University and Innovate UK, we developed a sophisticated tool that predicts the best times to use energy and produce biogas, taking into account fluctuating energy prices and maintenance schedules.

The project, which operated between February 2024 and March 2025, used data from our Advanced Anaerobic Digestion (AAD) plants to optimise energy use and reduce carbon emissions. By analysing this data, we created a tool that provides real-time information to help managers make informed decisions about plant operations. This tool uses advanced mathematical models to simulate operations for each half-hour of the day, considering factors like biogas production, energy prices, and maintenance schedules. This allows us to identify the best operating strategies to minimise costs and carbon emissions. Additionally, the tool supports predictive and retrospective analysis, helping us validate participation in energy flexibility schemes like Demand Side Response (DSR).

## Impact

It has delivered significant economic benefits, including annual savings of over £1 million and a successful bid for a national gas grid contract worth £300,000.

This innovative approach to energy and carbon management sets a new standard for the water industry and demonstrates our commitment to sustainability and operational efficiency. The OpsMod project not only benefits our operations but also has the potential to be used across the water industry and other high-energy sectors, showcasing the broader applicability and impact of our efforts.

Annual savings of over

**£1 million**

A gas DSR contract worth

**£300,000**



# CLIMATE ADAPTATION AND RESILIENCE

**Our approach to climate change adaptation focuses on the importance of delivering reliable and sustainable water and wastewater services while restoring and regenerating the environment. The adaptation efforts are embedded in our core business strategies, including the Long-term Strategy and Environment Strategy, and are delivered through our Business Plan. Our Climate Adaptation Report can be found [here](#), with a summary version [here](#).**

As well as working towards our net zero goals, we're taking meaningful action to adapt to the impacts of climate change - transforming how we manage water to protect people, the environment, and future supply.

Our [Water Resources Management Plan \(WRMP\)](#) plays a key role in securing sustainable water supplies, even during extreme droughts.

The 2024 WRMP significantly boosts long-term resilience by expanding smart metering in Essex and Suffolk, reducing leakage (already the lowest in the UK), and improving overall water efficiency. We're developing new water sources and optimising existing ones to minimise environmental impact, while also addressing climate-driven challenges like algae growth, which affect water quality. By working closely with farmers and local communities, we're enhancing river and groundwater quality and increasing public awareness of the growing pressures that climate change places on our water resources.

Alongside this, our [Drainage and Wastewater Management Plan \(DWMP\)](#) ensures we're also adapting to the changing patterns of rainfall, rising sea levels, and increasing flood risk. The DWMP guides how we upgrade our infrastructure to cope with more intense storms and prevent sewer flooding, while also helping us better manage surface water through sustainable drainage solutions. It supports improved water quality through enhanced treatment processes and proactive pollution control and allows us to prioritise long-term investment in the areas most at risk from climate change.

Together, these two long-term plans, WRMP and DWMP, form a coordinated, forward-looking strategy that's helping us build a more resilient and sustainable future in the face of a changing climate.

**Making sure we are strong enough to handle climate change.**

We're protecting our systems from flooding and storms with mobile generators and stronger climate resilience standards. In the North East, storms threaten power for water treatment, but Ofwat hasn't fully funded our requested upgrades in its final determination of our Business Plan for 2025-30, limiting our investment. We advocate for a stronger, shared approach with energy companies, regulators, and the Government.



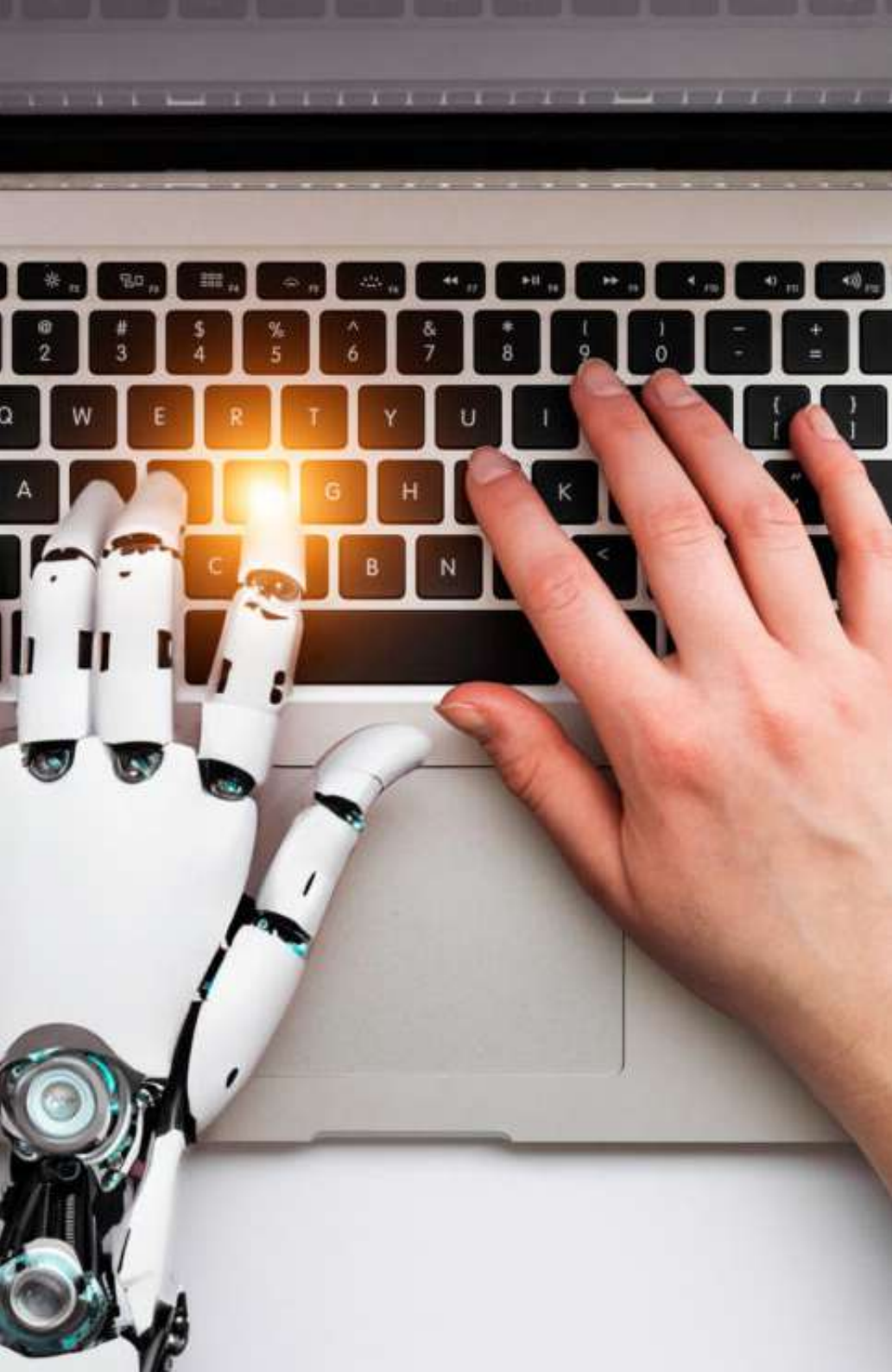
**Our progress**

In the last year we have invested in making systems stronger to handle more frequent and severe weather. This included upgrading systems to reduce carbon dioxide and other greenhouse gas emissions and using natural solutions that align with the UK's climate goals.

**Key projects have included:**

- Project Pipeline: County Durham and Tees Valley: a £155 million investment to upgrade the water supply network.
- Essex Pipeline Project: a £20 million investment to construct a pipeline transferring untreated water.
- Accelerated water resilience investment: £48 million funding to boost water network resilience in Essex and Suffolk.
- Smart sewer networks: a £20 million project to reduce spills from storm overflows using new technology and AI analytics.

Next steps for climate change adaptation include investments in new water supplies, adding storage capacity, and improving our water and wastewater treatment works. The focus is on balancing investment with affordability and continuing to engage with customers and stakeholders.



# **CASE STUDY:** **ENVIRONMENT**

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Optimising water treatment  
works with generative AI



# Case Study: Optimising water treatment works with generative AI

## Challenge

Getting chemical dosing right is essential for maintaining high water quality. Right now, our dosing process is mostly manual and relies heavily on operator experience. This makes it hard to train others and can lead to delays or mistakes, sometimes resulting in using more chemicals than needed.

## Action

To tackle these challenges, we are introducing generative AI to optimise our chemical dosing within our water treatment works.

This innovative approach uses AI technology to bring true innovation to the water industry.

We are developing a working prototype for Whittle Dene, which can provide support for operators on the relevant actions to take. It will do so by using years of historical data across Whittle Dene Water Treatment Works (WTW), alongside key external factors such as weather and temperature, to develop a model that will specify optimum chemical dosing at the site.

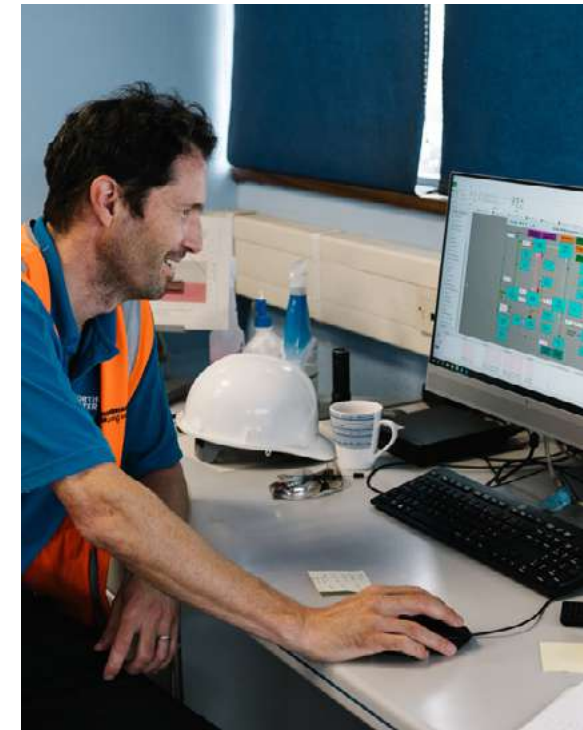
## Impact

While the generative AI model is currently in development, we expect that it will not only reduce our chemical spend, but it will also reduce the amount of sludge and power required to process sludge, leading to substantial cost savings. We will also have a positive impact on the environment, as this will reduce tanker loads, and therefore carbon emissions. It should also keep the standard of water quality consistent, and in turn lead to cost avoidance for Compliance Risk Index (CRI), a water quality measure.

Furthermore, once we have assessed the savings at Whittle Dene, we will develop a roll-out plan for other sites, complete with a timescale and a cost-benefit analysis for the complete roll-out. The projected value of this initiative is estimated to be millions of pounds worth of savings across all our water treatment sites.

**Reduced chemicals  
+ reduced energy  
= positive impact**

on the **environment** and millions of pounds worth of **savings**







# **CASE STUDY:** **ENVIRONMENT**

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New pipelines to future-proof  
water supplies

# Case Study: New pipelines to future-proof water supplies

## Challenge

Over 200,000 customers across County Durham and the Tees Valley rely on a 100-year-old water supply network. It needed urgent upgrades to boost resilience, secure long-term water quality, and improve environmental outcomes.

## Action

We launched Project Pipeline: County Durham and Tees Valley — a £155 million infrastructure programme to install new pipelines and upgrade the existing network.

Environmental considerations were central to the plan:

- Route designed to avoid 24 nearby protected sites.
- Tunnels built under Shipley Woods and the River Tees to protect ancient woodland.
- Corridor narrowed over watercourses to reduce ecological impact.
- Replaced hedgerows with native species-rich alternatives.

A separate £20 million pipeline project in Essex is installing 19km of pipe to improve water transfers between treatment works, boosting drought resilience for north and south Essex.

## Impact

### Water resilience

- 200,000+ customers in Durham & Tees Valley benefit from a future-proof water supply
- Essex pipeline can move up to 50 million litres/day

### Biodiversity and sustainability

Despite temporary habitat disruption, proactive measures have delivered major biodiversity gains:

- +47.19% gain in hedgerow habitat
- 28.16% in water related habitats

Although there was a loss in watercourse areas, actions were put in place that will lead to positive environmental outcomes over time, helping to balance out the loss.

### Off-site enhancements included:

- 15.23ha of habitat improvements at Shildon (grasslands, wetlands, ditches, hedgerows).
- 1.91ha of native woodland created or improved at Barnard Castle.

These interventions helped secure planning approval and delivered biodiversity net gain, before it was legally required.

# 370,000+

**customers** in Essex gain improved drought resilience

# +53.46%

gain in area habitat units

# 400 metres

of river enhancement at Low Wadsworth.





# **SOCIAL**

Caring for our local communities



**We recognise our vital role in the communities we serve. We provide an essential service, are custodians of the local environment, with almost all our employees and their families also our customers.**

To evaluate our community impact, we consider our broader economic impact on the local community by measuring the proportion of our spending on goods and services that goes to local suppliers, aiming for 60p of every £1 spent locally. We continue to reinvest that 60p of every £1 we spend back into our regions - supporting thousands of local jobs, creating apprenticeships, and adding billions to the local economy.

Our community investment strategy focuses on areas which are at the heart of who we are and central to Our Purpose. We deliver community investment activity in these areas through financial contributions, volunteering, educational impact, and playing a leadership role. Last year saw us achieve a new record high for Just an Hour, our employee volunteering scheme, achieved through enhanced communication of volunteering opportunities, more targeted local activities for our sites, and implementing a more visible way of measuring progress.

As we have done for many years, we reinvested at least 1% of our profits into our communities, through activities such as our employee donation programme, Cheque it Out, and our funding programmes Branch Out, Bluespaces and our Community Foundations.

In the past year, we have given out £529,232 in funding and we have once again achieved our ambitious local spend goal, reaching 61.74p in every pound spent in our North East, Essex and Suffolk operating areas.

Through our engagement with the County Durham Pound (CDP) group, we have continued to build relationships with local community organisations, and we have invited some of our suppliers to be supporters of the CDP. We are a founding member, and we are working collectively to improve local spend and social value in the County Durham region.

Following on from the CDP award for Best Public Sector Project at the 2023 Social Value Conference, in May 2024, the County Durham Pound won the 'Collaborative Procurement Initiative Award' and were runners up for the 'Social Value' award at the National GO Awards.

Within the wider Water industry, British Water's annual UK Water Company Performance Survey asks contractors, consultants and suppliers to rate their clients' performance in 12 areas, including professionalism, contractual approach and communication. We have continued to score above the average on all areas and in 2024 were ranked first in the league table by our suppliers.

### Caring for our communities

Measures	2021/22	2022/23	2023/24	2024/25
Local procurement spending (and impact)	60.34%	62.60%	61.74%	60.88%







# **CASE STUDY:** **SOCIAL**

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Record-breaking volunteering efforts with Just an Hour



# Case Study: Record-breaking volunteering efforts with Just an Hour

## Challenge

We aimed to increase employee engagement in our Just an Hour volunteering scheme to support local communities and improve customer perceptions. Despite having a strong foundation, we wanted to surpass previous records and encourage more colleagues to participate in volunteering activities. Our goal was to make a significant impact on the communities we serve.



## Action

In 2024, we focused on promoting the Just an Hour scheme and encouraging colleagues to get involved.

We highlighted the benefits of volunteering, such as team building, learning new skills, and forming valuable partnerships within our communities.

We provided a range of volunteering opportunities, including helping foodbanks with emergency food parcels, supporting log banks to keep vulnerable homes warm, taking part in beach cleans, assisting cancer support charities, and making a difference at animal rescue centres.

We also encouraged colleagues to suggest their own charities to support.

## Impact

Our efforts truly made a difference, resulting in the highest level of colleague participation in the history of Just an Hour.

More team members than ever before volunteered their time, supporting hundreds of local organisations and completing thousands of volunteering activities.

This marked a significant increase from the previous year and surpassed our previous record.



A total of **1,871** colleagues volunteered last year,

supporting over **700** organisations,

completing **2,731** volunteering activities.

**17.2%** increase in the number of colleagues who volunteered



# CASE STUDY: SOCIAL

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Delivering exceptional customer service with Medallia



# Case Study: Delivering exceptional customer service with Medallia



## Challenge

We wanted to better understand and respond to our customers' needs and experiences. Our goal is to make sure we provide unrivalled customer experience by listening to our customers and acting on their feedback. This required a system that could capture real-time insights and help us identify areas for improvement.

## Action

To improve how we capture and act on customer feedback, we integrated Medallia, our voice of the customer platform, into our operations. It offers flexible surveys, powerful reporting, and helps us analyse large volumes of feedback to 'Close the Loop' with customers.

We also built in tools like screen recording, heatmaps, and journey mapping on our websites to better understand customer behaviour. While Medallia comes ready to use, our insights team tailored its reporting and text analytics to suit our needs.

A key improvement was redesigning the survey workflow for C-MeX. Instead of surveying a small group, we now include all relevant customer contacts and a representative sample for billing, giving us a more accurate view of satisfaction.

We also enhanced Medallia's text analytics with industry-specific terms, helping us track key themes, sentiment, and their impact on scores—insights that are now supporting teams across the business to deliver better service.

## Impact

Integrating Medallia into the C-MeX framework has greatly improved how we track and respond to customer feedback. We now have a clearer, more accurate picture of customer experience and can act quickly when things aren't meeting expectations.

The new workflow gives all customers a chance to share their views, helping us make better decisions and boost satisfaction.

Medallia has become a key tool in helping us deliver excellent service, improve C-MeX scores, and stay ahead in the water industry. We are delighted to be the top company for CMEX, the water industry measure for customer experience.







# **CASE STUDY:** **SOCIAL**

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Zambia WaterAid partnership

# Case Study: Peer learning in practice – a visit to Kafubu Water

## Challenge

Kafubu Water and Sanitation Company (KWSC), which serves the city of Ndola in Zambia, faces many of the same challenges we do - ageing infrastructure, water quality pressures, and the need to deliver reliable services in a changing climate.

Recognising these shared issues, we visited Zambia to better understand their operations, explore where our experiences might be relevant, and begin building a long-term, peer-to-peer relationship focused on mutual learning.

## Action

Over three days, colleagues from Northumbrian Water alongside our delivery partners from Living Water Enterprise (LWE), visited key sites across KWSC's network. These included water treatment works, reservoirs, and township distribution points.

The visit was designed to listen, learn, and share. We explored areas where we've faced similar challenges and offered insights into what has worked for us.

Together, we looked at how KWSC could strengthen water quality checks and responses. We also discussed resolving mechanical issues like broken valves and explored how to manage algae in reservoirs by testing water at different depths and reducing pollution from upstream sources.

We shared our experience of blending water from different reservoirs and how to make better use of groundwater through improved treatment and network management.

These conversations were grounded in practical examples and a shared understanding of the realities of running complex water systems.

## Impact

The visit sparked a rich exchange of ideas and practical solutions.

KWSC has already begun implementing some of the quick wins discussed, and we're looking forward to welcoming their team to the UK soon.

The intention is to build a lasting partnership - one where knowledge flows both ways and where we can support each other in delivering better outcomes for the communities we serve.

This collaboration is a great example of how peer learning can drive progress, recognising shared challenges and working together to find better ways forward.



# RELIABLE SERVICE AND UNRIVALLED CUSTOMER EXPERIENCE

Our business is inherently long-term with assets we expect to operate for more than 100 years. We have an enduring presence in the communities we serve and provide services to generations of our customers.

We are proud to provide an essential service for our communities. Our customers rely on us, and we recognise the significant responsibility this entails - to keep water flowing and toilets flushing. We work diligently to enhance the reliability of our network, focusing our investments and innovations where they are needed most.

Our commitment encompasses both the water and wastewater aspects of our business. For water, we measure the level of interruptions to customers' supply, leakage, and how well we manage risks to drinking water quality. For wastewater, we focus on sewer flooding, understanding that it represents one of the worst service failures our customers can experience.

We are delighted to once again be top for C-Mex, the industry measure of customer experience, and third for D-Mex, the measure for developers' experience of working with us. Next year we need to set a target for BR-Mex, the new measure for retailers, and we will aim high, reflecting our long-standing commitment to delivering unrivalled customer experience. We are passionate about engaging with our customers to understand how they want us to deliver world-class customer service.

Our focus remains on getting things right first time, every time. We know our customers really value this and we always work hard to achieve it.

### Water services

We received a penalty from Ofwat for not meeting strict water quality standards this year. Most of the failures came from a few technical issues at water treatment works that didn't affect customers. However, we are dedicated to improving and are working closely with the Drinking Water Inspectorate (DWI) on both short-term and long-term plans to enhance our performance. On a positive note, our customers are generally satisfied with their water quality, as we received fewer complaints about the appearance, taste, and smell of the water than expected.

We are one of the top companies when it comes to minimising interruptions to our customers' water supplies lasting over three hours, and we also did well in reducing interruptions over 12 hours, meaning fewer customers were left without water for long periods. However, climate change, particularly storms and power outages, continues to challenge our ability to provide a continuous water supply. We were disappointed that Ofwat did not fully approve our plans to address these power outages in our Business Plan for 2025-30.

In terms of water leakage, we successfully reduced leakage in both our water stressed areas of Essex and Suffolk and in the North East by more than our target.

### Sewer flooding

We are pleased to report that we have met all our sewer flooding performance commitments for the second time in the 2020 to 2025 period. We have significantly reduced internal sewer flooding incidents, making us a leading company in this area. Although there was a slight increase in repeat sewer flooding incidents due to heavy rainfall during 2024/25, we are working on reducing the risk of future flooding for affected properties.

We have also achieved our targets for external sewer flooding and blockages, showing continuous improvement.

Our success is due to a focused plan that includes operational improvements, dedicated teams, and customer education campaigns like "Bin the Wipe," which has greatly reduced sewer blockages caused by wipes. Additionally, our Fats, Oils, and Grease (FOG) team has been effective in working with customers to prevent blockages.

We use innovative tools to improve our efficiency and provide better service. Despite our strong performance, we recognise that internal flooding is a severe issue for our customers, and we continue to support those affected. We are also working on enhancing our service levels, especially for customers who have experienced repeat flooding, and have developed an action plan to further reduce risks.

Reliable services				
Measures	2021/22	2022/23	2023/24	2024/25
C-MeX	2nd – 84.46	1st – 83.74	3rd - 81.40	1st - 80.29
Compliance risk index (CRI)	6.36	7.62	3.45	13.69
Interruptions to supply greater than three hours	5 mins 51 secs	8 mins 17 secs	5 mins 32 secs	4 mins 40 secs
Leakage	NW - 0.1% reduction	NW - 3.7% reduction	NW -10.1% reduction	NW - 12% reduction
	ESW - 3.2% reduction	ESW - 7.5% reduction	ESW - 16.3% reduction	ESW - 17.6% reduction
Per capita consumption (PCC)	4.7% increase to 157.7 litres	5.6% increase to 159.1 litres	2.5% increase to 154.4 litres	1.4% increase to 152.7 litres
Internal sewer flooding (per 10,000 connections)	1.84	1.21	1.22	1.03





# **CASE STUDY:** **SOCIAL**

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Trialling award-winning  
technology to detect leaks

# Case Study: Trialling award-winning technology to detect leaks

## Challenge

As part of our Water's Worth Saving campaign, we are constantly seeking new and improved ways to help our customers to use less water.

One of the significant challenges we face is detecting leaks in customers' homes, which can lead to substantial water wastage and damage if not addressed promptly.

Our goal is to reduce the average water usage per person in the UK from 145 litres per day to 110 litres per day by 2050.

## Action

To tackle this issue, we introduced the LeakBot, a smart water leak detection device designed to identify leaks in a home's internal plumbing system before any serious damage or water waste occurs.

During December 2024, we sent out 500 LeakBots to customers in Wingate, in our north east supply area. This area was chosen based on data suggesting a high number of customer properties with leaks.

LeakBot is a small, easy-to-install device that monitors a home's internal mains water plumbing system 24/7. If it detects even the smallest leak, it instantly sends an alert to the homeowner's smartphone.

The devices were provided free of charge, and customers also had the option of requesting a free leak repair if a leak was identified in their home.

## Impact

The introduction of LeakBot has shown promising results, with an uptake of 17%. Leaks identified and resolved as part of the trial produced an average water saving of 48 litres per property per day (1.7 megalitres).

By detecting leaks early, LeakBot helps save water, contributing to our leakage and per capita consumption (PCC) targets.

It also helps reduce bills for customers by preventing water wastage and lowering their water bills.

Additionally, LeakBot helps prevent water damage in customers' homes by detecting leaks early, providing peace of mind with its 24/7 monitoring capability.

# 48 litres

saved per property per day



Affordable services				
Accreditations				
BSI for Inclusive Services – this has now been replaced with ISO 22458				
Measures	2021/22	2022/23	2023/24	2024/25
Satisfaction of customers who receive additional financial support	9.2	9.2	8.9	8.9
Percentage of households in water poverty	9.61%	15.27%	14.79%	13.78%
Customer perception of value for money	8.2	8.2	7.9	7.6



### Affordable and inclusive services

The Consumer Council for Water (CCW) has recommended the introduction of a sustainable, single social tariff (SST) to help eliminate water poverty in England and Wales (when a household spends more than 5% of its disposable income on water and sewerage costs). This tariff would have consistent eligibility criteria and be easily accessible to all customers, ensuring that those in need can receive the support they require.

We welcome this recommendation and fully support the introduction of a single social tariff. Such a measure is crucial in providing fair and equitable assistance to customers who are struggling to pay their water bills. We are working with government to develop the policies to implement the tariff to help alleviate water poverty across the region.

In line with our commitment to supporting our customers, we are pleased to announce that in our next Business Plan for 2025-30, our shareholders will be contributing a £20 million hardship fund. This fund is specifically designed to help customers who are facing financial difficulties, ensuring they have access to the necessary resources to manage their water bills effectively.

### Our work to reduce water poverty

While we did not meet our original performance commitment to reduce water poverty, we made meaningful progress by expanding support schemes and increasing the number of customers receiving discounted or capped tariffs.

Despite external economic pressures, our updated modelling shows a net reduction in the number of customers in water poverty, supported by enhanced eligibility tools, broader partnerships, and proactive data-sharing initiatives.

We are pleased to have increased customers’ awareness of the help we may be able to provide to those customers that need it, both financial and non-financial, but know we have more to do here. A positive note is the satisfaction of our customers that receive the financial assistance, indicating the help from the company is providing an impact for those that need it.

In February 2024, we expanded the eligibility criteria for our low-income tariff by raising the income cap by over 40%. This adjustment made the discount available to more customers who were struggling with rising bills, housing, and childcare costs. As a result, this year we saw an additional 22.6% of households receiving our Low Income Discount.

To make it easier for customers to apply, we have enhanced the use of online tools to assess eligibility. We have partnered with various organisations to provide accessible tools that offer broader benefits.

Additionally, we developed an online income and expenditure form through our partner Inicio, allowing customers to complete a detailed breakdown of their income and spending. The form includes average spend guidance, helping customers manage their bills and share their budget with other organisations if they are struggling to make payments.





## **CASE STUDY:** **SOCIAL**

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Supporting customers with  
single tariff assessment and  
income maximisation

# Case Study: Supporting customers with single tariff assessment and income maximisation

## Challenge

Many customers in our Essex and Suffolk Water area were struggling with water bills, particularly those receiving sewerage charges from a different supplier. The different eligibility rules for each company made it difficult for customers to navigate the process and access the financial support they needed.

## Action

We implemented a single application process for discounted tariffs across multiple water and sewerage providers.

We developed an online financial assessment tool, provided by Policy In Practice, experts in benefit entitlement, to assess eligibility for all companies' schemes in one place. This tool made it easy for both customers and our teams to determine eligibility, with 85% of applicants receiving a bill cap or discount.

The tool also helped customers gain an understanding of any government benefits they were not receiving and signposted additional support, such as grants and lower broadband tariffs. For those digitally excluded, we offered the option to complete the assessment over the phone and provided links to apply for missing benefits.

## Impact

The implementation of the single tariff assessment and income maximisation tool has had a significant positive impact on our customers.

In the last 12 months, 9,895 customers completed the tool and were found eligible for government benefits totalling £13,909,23. Where an unclaimed benefit was identified, this increased the household income by an average of £487 per month.

**9,895** customers completed the tool in the last 12 months

**£13,909,23**  
of government benefits

Household income was increased by an average of **£487** pm



# OUR WORKPLACE

Having a resilient workforce that is equipped with the knowledge, training and tools to carry out the work we need them to do is essential, but it is just as important to have a team that enjoys their work and is proud to work for our organisation.

We are dedicated to creating a [Great Place to Work](#) by fostering a culture that prioritises the well-being, engagement, and development of our colleagues. Our commitment to this goal is reflected in our holistic approach to wellness, inclusive workplace practices, and continuous investment in personal and professional growth.

82% of our people said NWG is a Great Place to Work. Our overall Engagement score has moved up to 81% (1% increase on last year). Wellbeing has gone up again with a score of 75% (1% increase) and demonstrates our strength and consistency in this area. Living Well, our wellbeing offering, has been recognised nationally as leading the way in workplace wellbeing and is something we are hugely proud of. Our leadership team achieved an 80% score with an increase of 3% since 2023. This reflects the confidence in the direction, communication, and support provided by our leaders across the organisation.

In 2024, we continued to enhance our ‘For All’ culture by actively listening to and responding to the voices of our colleagues,

customers, and communities. Our Living Well programme, which focuses on mind, body, and social wellness, has been a cornerstone of our well-being initiatives. This programme includes a 24/7 virtual GP service, free seasonal flu jabs, and a comprehensive Employee Assistance Programme. We have also introduced new support measures such as pre-retirement sessions and a women’s well-being booklet, which have been well-received by our colleagues.

Our commitment to health, safety, and well-being is embedded in our ethos of ‘Everyone home safe every day.’ In 2024, we conducted over 91,000 individual safety checks and launched the Safe to Say initiative to foster a safe and inclusive working environment. This initiative includes a bespoke reporting tool for colleagues to raise concerns about workplace culture and unacceptable behaviours.

We have also made significant strides in training, learning, and development. In 2024, we updated role requirements, improved our Competent Operator Scheme, and introduced new graduate and apprenticeship programs. Our Spark and Illuminate programs for new and aspiring managers have been particularly impactful, ensuring that our managers are equipped to provide a great experience for their teams.

Our colleague-led network groups, including Thisability, WISTEM (Women in STEM (Science, Technology, Engineering, and Maths), REACH (a colleague-led network group fostering an inclusive workplace for colleagues with diverse characteristics and experiences), and the Rainbow Support Network, continue to play

a vital role in fostering an inclusive workplace. These groups provide valuable insights, support, and advocacy for colleagues with diverse characteristics and experiences.

In recognition of our efforts, we have received several awards and accolades, including the Chartered Institute of Personnel and Development (CIPD) People Management Best Health Wellbeing Initiative and the UK Company Culture Best Workplace Health & Wellbeing Awareness Initiative. We have also been recognised as one of the best employers for Wellbeing and Women by the Great Place to Work rankings.

As the only water company accredited by the Good Business Charter (GBC), we are proud to have been re-accredited for the fourth time during Good Business Fortnight in February 2025. This recognition

underscores our dedication to meeting all ten GBC measures, including paying the real living wage, prompt payment to suppliers, environmental responsibility, employee wellbeing, and diversity and inclusion.

Our TIDE (Together for Inclusion, Diversity and Equity) Strategy and responsible procurement strategy further demonstrate our commitment to making a positive impact on society and the environment. Moving forward, we will continue to uphold the high standards set by the GBC and strive to be a responsible and ethical business.

Overall, our performance in the last year demonstrates our unwavering commitment to making NWG a Great Place to Work. We will continue to build on these successes, ensuring that our colleagues feel valued, supported, and empowered to reach their highest potential.

Affordable services				
Accreditations				
Better Health at Work Award				
Disability Confident Employer				
Defence Employer Recognition Scheme (Silver)				
Competent Operator Scheme				
Measures	2021/22	2022/23	2023/24	2024/25
GPTW Trust Index	67%	70%	77%	78%





# CASE STUDY: SOCIAL

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Building a sustainable  
workforce through  
apprenticeships

# Case Study: Building a sustainable workforce through apprenticeships

## Challenge

One of the critical issues we face for 2025-30 is the need to develop the skills and expertise required to deliver improvements in services.

Traditionally, entry-level roles were filled without a structured approach to skill development, which led to gaps in knowledge and expertise.

Additionally, there was a need to attract and retain talent in a competitive job market, particularly among disadvantaged groups.

## Action

Over the past year, we've significantly expanded our apprenticeship programme, now boasting 76 apprentices with plans to grow further each September. We celebrated National Apprenticeship Week in February 2024 by launching all our apprenticeship vacancies, receiving over 1,000 applications for 35 roles.

Our evolving apprentice programme focuses on developing soft skills and networking, with quarterly sessions on critical skills like networking, self-awareness, and emotional intelligence. Each apprentice is paired with a buddy and a mentor for support. We also introduced an annual team-building day and our first-ever early careers conference, which received exceptional feedback.

We're targeting disadvantaged groups, running initiatives like the work experience festival at our Innovation Festival, which provided industry insight to 400 students, focusing on females and ethnic minorities.

## Impact

Our success measures include a 95% retention rate for apprentices, with 100% completing their apprenticeships.

Our apprentices add value from day one, challenging norms and bringing innovative ideas. They participate in industry competitions and programmes, such as the Water Industry Forum (WIF) challenge and the Institute of Water's "Rising Star" programme.

The first-ever neurodiverse supported intern programme in collaboration with East Durham College provided valuable work experience to interns, leading to increased confidence and skill development.

# 95%

retention rate for apprentices

# 100%

completing their apprenticeships





# GOVERNANCE

ESG committee activity and new  
governance arrangements



# ESG COMMITTEE ACTIVITY AND NEW GOVERNANCE ARRANGEMENTS

## Since the last Our Purpose report we have established an Environment, Social and Governance (ESG) Board Committee of Directors of Northumbrian Water Limited (NWL).

The ESG Committee has the oversight, responsibility and specific duties of environment, social and governance aspects of our organisation to ensure that the company is run ethically and transparently. As part of its oversight duties, it ensures our practices align with regulatory requirements and stakeholder expectations and identify and mitigate risks related to ESG factors.

The formation of the ESG Committee ensures that our governance framework aligns with contemporary expectations for corporate responsibility. The committee plays a pivotal role in overseeing our ESG initiatives, ensuring that environmental and social considerations are embedded in decision-making processes.

The committee reports directly to the NWL and NWGL Boards, ensuring that ESG considerations are integrated at the highest levels of the company's governance structure.

The ESG Committee is also responsible for monitoring the implementation of the Articles amendments and ensuring that the company's operations align with our stated ESG objectives. This will involve regular reporting and evaluation of company performance against our ESG goals. The committee will also work closely with departments across the business to ensure that ESG considerations are integrated into all aspects of the company's operations, from strategic planning to day-to-day activities.

The committee reports directly to the NWL and NWGL Boards, ensuring that ESG considerations are integrated at the highest levels of the company's governance structure.





# CHANGES IN ARTICLES



**In December 2024 we completed the update of our Articles in Association by inserting a new article that not only aligns with regulatory expectations but reflects our commitment to operating as a socially and environmentally responsible company.**

The updated articles, which follows BCorp best practice, is the culmination of work carried out by our Board and Executive Leadership Team over the last five years to develop, embed, and report on our company purpose.

We conducted a benchmarking exercise to identify best practices for incorporating customer and environmental objectives. The changes to the NWL articles were designed to formally embed customer and environmental objectives within the company's governance framework. The amendments will ensure that our purpose is clearly articulated and legally recognised, supporting our long-term success and positive impact on society and the environment.



# EFFICIENCY AND PRUDENT INVESTMENT

**We have long-term plans to ensure the sustainable operation of our business, and we manage our finances to maintain stability and soundness. Maintaining a fair balance between our customers and investors is crucial. This approach helps keep our customers' bills as low as possible while attracting the necessary capital to finance investments that maintain and enhance our assets. Striking this balance builds trust and confidence among our customers.**

To assess the immediate resilience of our assets, we monitor measures such as repairs needed to water mains, sewer collapses, and instances of unexpected shutdowns at our water treatment works due to faults. For long-term resilience, we evaluate the risk of severe water restrictions during a drought and sewer flooding during a storm.

We have continued to focus on driving value from innovation at speed and scale.

We actively encourage employees to come forward with innovative ideas and support their development via our Invest Quest competition. This year, we also strengthened our position as a sector leader by securing more Ofwat Innovation Fund wins than any other company (19 in total) representing 21% of the total fund. These achievements reflect our commitment to using innovation to deliver better outcomes for customers, communities, and the environment.

To adapt to climate change and ensure reliable services, we prioritise research and innovation. Our Innovation Festival, running since 2017, has led to over 250 ideas, contributing £100 million annually to the local economy. The ideas from the festival have led to major projects, including one funded by Ofwat to use artificial intelligence to reduce river pollution.

Our 2025-30 Business Plan includes innovative projects like nature-based solutions, such as restoring seagrass and oysters to reduce river nutrients. We're also improving geospatial data and real-time tools to better manage rivers in the North East and collaborate more effectively with partners on environmental protection and restoration efforts.

Over the past year we have embraced the challenges of an ever-evolving business landscape and the issues facing our industry and formulated strategies that position us to improve standards further, deliver leadership and show support for our regions and communities.

## IRFS S2

The IFRS S2 standard, also known as the IFRS S2 Climate-related Disclosures, is a set of requirements issued by the International Sustainability Standards Board (ISSB) for disclosing information about climate-related risks and opportunities.

This is our first year of reporting against this standard, which requires companies to disclose information about climate-related risks and opportunities that could reasonably be expected to affect their cash flows, access to finance, or cost of capital over the short, medium, or long term. This includes both physical risks (such as extreme weather events) and transition risks (such as regulatory changes) as well as climate-related opportunities.





Overall measures

We are committed to the highest standards of transparency and corporate governance so that our customers can trust that the information we provide them is accurate, and so they can hold us to account on what matters most to them.

Maintaining the highest standards of governance is crucial for the effective implementation of our Long-term Strategy. It ensures that the Board makes decisions that foster sustainable long-term value for the mutual benefit of our customers, the communities we serve, our employees, and shareholders. Robust governance is the foundation of all our actions.

These metrics have been selected to measure governance and activity across our business.

Ethisphere is a global leader in defining and advancing the standards of ethical business practices, recognising companies that demonstrate exemplary behaviour and performance in areas such as ethics, compliance, corporate citizenship, governance, and leadership. We've been named as one of the 2024 World's Most Ethical Companies® by Ethisphere for the 14th time and are the only UK company on the list.

Building a high level of trust among our customers is crucial, as it influences their perception of our performance and their willingness to heed our messages on issues such as water efficiency and the proper disposal of unflushable items, which helps us to maintain a reliable and resilient service for them.

We also seek customer feedback on how strongly they agree that we uphold each of the three key statements in our Purpose. This feedback provides valuable insight into whether customers believe we are fulfilling our commitments.

We are pleased that in CCW's Water Matters report for 2025, Northumbrian Water been ranked as the second most trusted water and sewerage company (WaSC) in England and Essex & Suffolk Water as the second most trusted water only company.

Despite overall trust scores for water companies falling, our trust scores are significantly higher than the industry average and in our Northumbrian Water operating area have increased since last year.

Asset health

We continue to prioritise fixing water mains bursts, performing better than our target for the year. The cooler and wetter summer meant we didn't have as many bursts as usual, but we still managed to handle a high number of repairs in January 2025, the most in any month over the past five years.

We also replaced a significant amount of old water pipes in the North East and Essex and Suffolk areas. We're continuing to manage water pressure better, invest in new equipment, and train our employees to keep the network running smoothly and reduce the number of bursts. Our focus remains on improving the health of our assets in the coming years.

Unplanned outages refer to unexpected interruptions in our water treatment and distribution processes. These interruptions can happen due to unforeseen issues like equipment failures or other problems that were not planned for.

The goal of monitoring unplanned outages is to make sure that we keep our water treatment systems running smoothly and efficiently. By minimising these unexpected interruptions, we can maintain a reliable water supply and show that we are taking good care of our water treatment facilities. This helps us provide consistent service to our customers now and in the future.

Over the past five years, we have significantly improved in this area.

Every day, we work on how best to treat and distribute water, aiming to minimise any unexpected or planned issues. This year, some long-running outages at specific water treatment works contributed to our overall unplanned outages. However, we have started work to address these issues and have funding allocated for further improvements.

From September to December 2024, we saw a notable improvement compared to the previous year, partly because we didn't experience large, extended outages during this period. We have also improved our internal processes for reporting and understanding outages, focusing on proactive maintenance and future investments to keep up our strong performance.

Overall statement				
Accreditations				
IFRS S2				
Ethisphere				
Good Business Charter				
Measures	2021/22	2022/23	2022/23	2023/24
Independent Trust score	8.7	8.6	8.2	8.0
Customer perception survey:				
Cares for the essential needs of its communities and environment, now and for generations to come.	68%	61%	58%	37%
Provide reliable and affordable water [NW: and wastewater] services for its customers	73%	66%	68%	40%
Make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.	62%	53%	50%	34%

Sustainability and resilience				
Measures	2021/22	2022/23	2023/24	2024/25
Mains repairs	110.9	154.9	109.7	122.6
Unplanned outages	4.57%	3.40%	2.93%	1.95%



# CASE STUDY: GOVERNANCE

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Energy project saves  
money and carbon

# Case Study: Energy project saves money and carbon

## Challenge

We wanted to understand the energy consumption of our water pumps to find ways to reduce costs and carbon emissions.

Our goal was to identify opportunities to refurbish, replace, or optimise inefficient pumps across our operating areas in the North East of England, Essex, and Suffolk.

## Action

To tackle this challenge, we partnered with Integrated Water Services Mechanical and Electrical (IWS M&E) to carry out a programme of pump testing.

We worked closely with our operational teams to ensure minimal risk of impact on day-to-day operations.

The results were analysed to identify the best long-term carbon and cost value from a range of solutions, including changes to the way pumps were operated, refurbishments, replacements, and a combination of interventions for more than 40 additional pumps.

## Impact

The investments resulting from this project have led to significant improvements.

We identified opportunities that represent potential operating cost and carbon emission reductions of more than 1,500 tonnes per annum.

These investments not only help us maintain low bills for our customers but also support our ambitions to achieve net zero.

Moving forward, we will continue to monitor and track the performance of our pumps, review the data to identify further opportunities for improvement, and ensure that our investments deliver the best possible outcomes for both our customers and the environment.

**£1.2 million**  
potential operating savings a year

**1,500 tonnes**  
of carbon emission  
reductions per annum





Investment

We are dedicated to keeping investment grade credit ratings, as evaluated by independent agencies Moody's and Fitch. Currently, our credit ratings are at strong investment grade, with Moody's rating us Baa1 and Fitch rating us BBB+. However, both ratings have a negative outlook because of the uncertainty around the Competition and Markets Authority (CMA) price redetermination process, which is a review by a regulatory body that can change the prices we are allowed to charge our customers.

Efficient and prudent investment				
Measures	2021/22	2022/23	2023/24	2024/25
Expenditure versus allowance	+1.3%	+2.5%	2.5%	57%
Credit rating	Moody's (Baa1) and S&P (BBB+ negative outlook)	Moody's (Baa1) and S&P (BBB stable outlook)	Moody's (Baa1 (Stable) and Fitch (BBB+)	Moody's Baa1 and S&P BBB+ (negative outlook)





# **CASE STUDY:** **GOVERNANCE**

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Transforming our supply  
chain for 2025-30

# Case Study: Transforming our supply chain for 2025-30

## Challenge

Our goal was to more than double our supply chain capacity to handle approximately £700 million of work annually, compared to around £300 million previously.

## Action

We expanded our supply chain capacity by adding over 30 new supply chain partners, bringing our total to 83 partners. This expansion was crucial to meet the increased workload and ensure we had the necessary resources to deliver our Business Plan for 2025-30.

We also prioritised working with local supply chains that uphold social, economic, and environmental standards through our Responsible Procurement Strategy.

This strategy focuses on seven key themes and aims to generate value for money, gain efficiencies, and eliminate unethical behaviour.

We introduced innovative practices, such as a dragon's den-style event at the NWG Innovation Festival, where businesses pitch for funding for genuine innovation. We worked with stakeholders to source emerging technologies like AI and software automation.

We encouraged collaboration across the water sector to accelerate progress and simplified and standardised contracts through the Living Water Enterprise (LWE) model. This model includes shared incentives and a clear understanding of risk positions, emphasising mutual benefits, smarter spending, and risk-based planning.

Additionally, we partnered with various stakeholders to protect the environment and uphold the social contract. Examples include partnerships with local wildlife trusts, the Northumbria Integrated Drainage Partnership, and the Thriving Catchments initiative.

## Impact

The LWE model has fostered a collaborative environment where we work closely with our partners, sharing expertise and best practices, leading to more innovative and efficient solutions.

Our Responsible Procurement Strategy has ensured that we work with partners who uphold high social, economic, and environmental standards, contributing to more sustainable and ethical business practices. The introduction of innovative procurement practices has led to the adoption of emerging technologies, improving efficiency and driving progress in the water sector.

Our partnerships with various stakeholders have helped protect the environment and support local communities, contributing to the overall well-being of the regions we serve.

Our partnerships with various stakeholders have helped protect the environment and support local communities, contributing to the overall well-being of the regions we serve.







## Innovation

The NWG Innovation Festival 2024, themed “Speed and Scale,” was our biggest festival yet. Held at Newcastle Racecourse, the event saw over 3,000 attendees in person, with almost 300 ideas being progressed. The festival featured a wide range of activities, including sprints, hacks, and dashes, with participation from various sectors and organisations.

We worked with environmental and ecological experts to ensure that the event was environmentally responsible. The festival also included the first-ever Young Citizens Work Experience Festival, aimed at introducing 14-18 year-olds from local schools to the world of work. Over 350 pupils attended from 12 different schools, with an additional 310 attending online sessions. The festival aimed to provide an alternative work experience that was inclusive for all, especially considering the challenges young people face in finding good work experience opportunities post-COVID.

The festival generated more ideas than ever before, with over 45 high-potential projects being evaluated. These projects have the potential to contribute to a total value of more than £100m per year for the local economy over the next five years.

Some of the standout projects include:

- GENAI: using generative AI technology to optimise water treatment processes.
- Building tomorrow, faster today!: bring together a diverse group of innovators to address water industry challenges.

- NE water future skills centre: an initiative aimed at developing and enhancing the skills required for the future of the water industry, focusing on training and education to support innovation and sustainability.
- Droning on about water quality: using drone technology for real-time water quality assessments.
- No dig: an innovative solution that allows water mains and distribution pipework leaks to be repaired without the need for any digging or excavation.

We have continued to lead in the Ofwat Innovation Fund, securing £10.2 million in the Breakthrough 4 round and achieving significant success with projects like River Deep Mountain AI and METREAU. Since 2021, we have secured £29.1 million in external funding, making us the top water company in the competition with 16 successful bids and a 253% return on our funding contributions.






# **OUR OVERALL PERFORMANCE**

# MEASURES AT A GLANCE





Overall statement							
Accreditations							
ISO14001 Environmental management							
ISO14064-1 Greenhouse gas emissions							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Environmental Performance Assessment (EPA) star rating	4 star	3 star	3 star	TBC by EA later in 2025	4 star	The Environment Agency, one of our regulators, collects data on how well water companies have protected the environment in a number of different ways. They use the data to form a scorecard and give an overall assessment each year out of four stars.	We are disappointed to have missed our targets in discharge permit compliance and the number of Category 1- 3 pollution incidents. We recognise our performance could be better and have developed a tactical plan as a response, highlighting our desire to improve and be a leading company.
Pollution incidents per 10,000km sewers	22.98	19.98	32.97	38.97	19.50	The number of times pollution is caused by contaminated substances being released from our sewers into a watercourse or onto land, per 10,000km of sewer.	In 2024, there were 117 minor wastewater pollution incidents (Category 3), mostly caused by severe storms and power issues. While no serious incidents (Category 1 or 2) occurred, we are working on improving our systems and power resilience to better handle extreme weather and prevent future pollution.






Overall statement							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Water Environment Improvements	34.6km	33.1km	31.9km	<b>118.3km</b> 	10km	The amount of improvements made to water environments such as rivers, reservoirs and coastlines that the public can access. Improvements could be made to facilities and recreation, wildlife and biodiversity and the quality of water.	Our Bluespaces programme has significantly improved the water environment, going beyond regulatory requirements. Over five years, it delivered 262.4 km of improvements - far exceeding targets - through 61 projects, with strong partner support and environmental benefits such as wetlands, tree planting, and public engagement.
Bathing water quality	33/34	33/34	32/34	<b>33/35</b> 	33/34	The Environment Agency, one of our regulators, monitors how clean the water at designated beaches is. Every year they give the water at each designated bathing water a rating of excellent, good, sufficient or poor.	With the addition of a new site - Littlehaven, rated "Poor" -our score dropped to 33 out of 35. While Cullercoats continues to face long-standing groundwater contamination issues, both it and Littlehaven are under investigation with partners to improve water quality, and we are advocating for more flexible regulations to support long-term improvements.
Net greenhouse gas emissions (reduction against 2019/20 baseline)	46,492	23,445	49,307	<b>52,374.35</b> 	9,110	Net zero is about balancing the amount of harmful greenhouse gases being put into the atmosphere with those being taken out.	We outperformed our target to reduce operational greenhouse gas emissions, cutting them to just 16.25 thousand tonnes of CO <sub>2</sub> e, an improvement on last year, and earning a c.£8m reward. This was achieved through a range of initiatives including large-scale solar installations, full energy recovery from sewage sludge, renewable electricity use, and cleaner transport solutions.

Affordable services							
Accreditations							
Better Health at Work Award							
Disability Confident Employer							
Defence Employer Recognition Scheme (Silver)							
Competent Operator Scheme							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Local procurement spending (and impact)	60.34%	62.60%	61.74%	61.7% <div></div>	60%	We aim to spend at least 60p in every £1 with suppliers in our operating regions	As one the largest businesses in the regions where we operate, and in keeping with our commitment to our communities, we believe it is important to maximise the positive impact of our spending. We therefore prioritise working with a supply chain that upholds our social, economic, and environmental standards and shares our vision of continuous improvement.
GPTW Trust index	67%	70%	77%	78% <div></div>	72%	The Great Place To Work (GPTW) trust index is calculated through an annual survey which asks our employees to rate what it is like to work for our company.	We have been listed for the fifth time by the Great Place to Work as one of the UK's Best Workplaces in the super large category. Being recognised nationally as a great employer is a fantastic achievement and something we are very proud of.

## Reliable services

Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
C-MeX	2nd - 84.46	1st - 83.74	3rd - 81.40	<b>1st - 80.29</b> 	Top 2	Our regulator Ofwat's customer measure of experience, based on surveys of customers about their satisfaction and experience	We are delighted to have finished in 1st place overall for C-MEX in 2024/25 after being in 3rd place last year. This is the second time in the five-year period that we have been ranked in 1st position, and we have achieved our target of 'Top 2' three times in period, as well as always being in the top three positions. We continue to score highly in this area in CCW's 'Water Matters' report, with NWL being placed joint top for many satisfaction measures.
Leakage NW	0.1% reduction	3.7% reduction	8.7 reduction	<b>12.0% reduction</b> 	12% reduction	The amount of water which leaks from pipes between our water treatment works and customers' homes and businesses, measured on a three-year average.	In 2024/25, leakage slightly increased in the ESW region but still beat long-term targets, achieving an 17.6% reduction over five years, well above the 14.1% goal. Despite winter freeze/thaw events causing spikes, both ESW and NW regions met their three-year average targets, thanks to improved detection tools, cross-region collaboration, and extra repair efforts.
Leakage ESW	3.2% reduction	7.5% reduction	15.3% reduction	<b>17.6% reduction</b> 	14.1% reduction		
Interruptions to supply greater than three hours	05:51	17	32	<b>04:40</b> 	05:00	Interruptions to customers' water supply of greater than 3 hours duration, measured in average minutes across the year	We achieved 4 minutes 23 second for against the industry 5 minute target for water supply interruptions over three hours. Only eight of our supply interruptions in the year contributed to more than five seconds. Our performance over the 2020-25 period has been approximately 4 or 5 minutes with the exception of storm affected years, which puts us in a leading position against other water and sewerage companies.



Reliable services							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Per capita consumption (PCC)	4.7% increase to 157.7 litres	5.6% increase to 159.1 litres	2.7% increase to 154.7 l/p/d.	1.4% increase to 152.7 l/p/d 	5.3% reduction	The amount of water each person uses, on average, each day.	We didn't meet our target mainly because of lasting changes in behaviour since Covid-19, such as more people working from home, and challenges delivering water-saving programmes in 2021/22. Although some progress was made, only 28% of planned efficiency activities were completed, and external factors like extreme weather also made it harder to reduce usage as planned.
Compliance Risk Index (CRI)	6.36	7.62	3.45	13.69 	0	A measure of how well we are managing risks to drinking water quality and investing to keep drinking water clean and safe to drink.	In 2024, we didn't meet our water quality target, scoring 13.69 on the Compliance Risk Index (CRI) against a target of zero, which led to a £10.5 million penalty. Most of this came from a few technical issues at water treatment works that didn't affect customers, and we're actively investing in improvements and innovations to reduce future risks and improve performance.
Internal sewer flooding	1.84	1.21	1.21	1.03 	1.34	The number of buildings and homes that are flooded by sewage entering them, per every 10,000.	We reduced our internal sewer flooding incidents by 9% on the previous reporting year, and by 69% since 2019/20 (from 472 incidents to 144). Our performance improvement over the last five years means that we are now a leading company for our internal sewer flooding performance.

Sustainability and resilience							
Accreditations							
IFRS S2							
Ethisphere							
Good Business Charter							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Independent Trust score	8.7	8.5	8.2	8.0	8.8	We survey our customers to ask them if they think we are a company they can trust.	<p>We are pleased that in CCW's Water Matters report for 2025, Northumbrian Water been ranked as the second most trusted water and sewerage company (WaSC) in England and Essex &amp; Suffolk Water as the second most trusted water only company.</p> <p>Despite overall trust scores for water companies falling, our trust scores are significantly higher than the industry average and in our Northumbrian Water operating area have increased since last year.</p>
Purpose statement tracking in Omnibus survey						We survey our customers to ask if they think we live up to our Purpose, by asking to what extent do you agree or disagree with each of these statements.	<p>As part of our Annual Omnibus programme, we ask customers questions around our Purpose. The scores associated with these questions show a significant decrease compared to previous years. We recognise that trust and reputation across the water sector are currently low, driven by public concern about environmental performance and amplified by political and media scrutiny. We fully acknowledge the scores and feedback we've received from our own customers, and we are committed to understanding their views more deeply. In response, we have developed a targeted action plan to explore how customers perceive us, identify the areas where we need to improve, and take meaningful steps to address their concerns and rebuild trust.</p> <p>Despite the water industry facing a negative media spotlight, we take pride in our achievements and have received positive ratings from our customers through a range of additional measures.</p> <p>We rank number one for customer experience in the industry. We were also rated one of the most trusted companies in CCW's Water Matters report 2025.</p> <p>We are also proud to be one of the top-ranking water companies in the UK Customer Satisfaction Index (UKCSI) report with a score of 70.7, which is slightly above the average Utilities score of 70.</p>
Cares for the essential needs of its communities and environment, now and for generations to come.	68%	61%	58%	37%	69%		
Provide reliable and affordable water [NW: and wastewater] services for its customers.	73%	66%	68%	40%	74%		
Make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business.	62%	53%	50%	34%	63%		

Sustainability and resilience							
Measures	2021/22	2022/23	2023/24	2024/25	Target	Measure explanation	Performance explanation
Mains repairs	110.9	154.9	109.4	122.6	123.4	The number of repairs we carry out to burst water mains each year	We repaired slightly fewer burst water mains than our target. A cooler, wetter summer helped keep repair numbers down, but a spike in bursts during January 2025 made it our busiest repair month in five years. We're continuing to focus on improving our network's condition.
Unplanned outages	4.57%	3.51%	2.89%	1.5%	2.34%	When we are unexpectedly unable to produce water from one of our water treatment works because of a fault.	We met our target for unplanned water treatment outages in 2024/25, reducing them to 1.94% - a big improvement from 5.69% five years ago, though still short of Ofwat's goal. This progress came from fewer major incidents, better internal reporting, and ongoing investment in maintenance and upgrades at key treatment sites.
Expenditure versus allowance	+1.3%	+2.5%	2.5%	57%		Our regulator sets an allowance for how much we can spend on delivering services to customers. This is a measure of whether we stay within our allowance.	We have invested more than the Final Determination Allowance.
Credit rating	Moody's (Baa1) and S&P (BBB+ negative outlook)	Moody's (Baa1) and S&P (BBB stable outlook)	Moody's (Baa1) (Stable) and Fitch (BBB+)	Moody's Baa1 and S&P BBB+ (negative outlook)		An external assessment of whether a business is considered to be capable of meeting their financial commitments, including paying for day to day operations, investing for the future and repaying debt.	We are dedicated to keeping investment grade credit ratings, as evaluated by independent agencies Moody's and Fitch. Currently, our credit ratings are at strong investment grade, with Moody's rating us Baa1 and Fitch rating us BBB+. However, both ratings have a negative outlook because of the uncertainty around the CMA price redetermination process, which is a review by a regulatory body that can change the prices we are allowed to charge our customers.



## Thank you for reading.

We hope you found this report informative and inspiring.

If you are interested in finding out more, this report sits alongside our **Annual Performance Report and Financial Statements** which provide complete financial and regulatory data.

For any queries or to find more information on any of the work we have covered here **visit [nwg.co.uk](https://www.nwg.co.uk)** or email **[communities@nwl.co.uk](mailto:communities@nwl.co.uk)**.