

Our Statement of continued support:

Sustainability is now firmly established within our mainstream management and we consider it essential to act in a responsible and ethical way. We are committed to high standards of corporate governance and are a signatory and firm supporter of the UN Global Compact, a voluntary initiative based on the principles of human rights, labour standards and the environment.

Dr Julian Dennis, Director of Compliance and Sustainability

The following provides an update of Wessex Water's work during 2007/08.

Sustainability programme

In spring 2008 we were delighted to receive the Queen's Award for Enterprise in the Sustainable Development category. This was given in recognition of our approach to working in ways that are environmentally, socially and economically responsible. Wessex Water is the first UK water company to receive this award.

In parallel with the rest of the water sector, we produced our 25 year Strategic Direction Statement in 2007/08. The document, entitled 'Water – the way ahead', outlines our plans for the future. It is arranged around three headline objectives; 1) delivering a top-class service; 2) keeping bills affordable and 3) coping with climate change, from which we derive six key themes on which we will build our future business plans.

<http://www.wessexwater.co.uk/about/threecol.aspx?id=136&linkidentifier=id&itemid=136>

Our Strategic Direction Statement is aligned with our sustainability vision. This was developed in 2004 to set out what a sustainable Wessex Water would look like and the things that need to be in place for progress to be made. The vision is reviewed annually, in terms of progress made and the programme to embed sustainability principles into both day-to-day work and strategic planning.

<http://www.wessexwater.co.uk/about/threecol.aspx?id=128&linkidentifier=id&itemid=128>

Carbon management

We have remodelled our carbon management plan, to be based on the carbon hierarchy of avoidance, efficiency, renewable energy and offsetting. Some of our progress in the last year includes the following:

Avoidance: we have developed an investment proposal for 2010-15 to roll-out advanced sludge digestion that will reduce methane emissions from sludge digestion. We will also continue with catchment management as a means of avoiding contamination by nitrates and pesticides of groundwater sources that we use.

Efficiency: we have increased efforts to improve the energy efficiency in essential operations. Currently, the best savings are coming from optimisation of aeration and UV dosing at sewage treatment works. We continue to use Process Area Monitoring - a computer based energy management system which enables us to track energy anomalies and deal with situations where energy use is higher than normal.

Renewables: With the installation of advanced digestion at our Avonmouth sewage treatment work, our generation of electricity from biogas has increased. As noted above, we aim to roll-out this technology further during 2010-15. We have also completed the environmental impact assessment for wind turbines at Avonmouth.

Management measures: with consultants Mott MacDonald, we have developed a tool to assess the wholelife carbon footprint of new assets – including construction and operational carbon.

Stakeholder consultation

Wessex Water is in constant dialogue with a range of interests such as customers, suppliers and contractors, investors, regulators, local government and environmental groups. Of note during 2007/08 was a detailed programme to research our customers' priorities and their willingness to pay for improvements to the services which we provide. The research involved face-to-face surveys and focus groups and is central to our business plan for 2010-15.

We continue with our water partnerships programme, which mainly involves discussions about water issues of mutual interest with local authorities. For example, we organised a discussion about surface water drainage and flooding with a group of neighbouring councils in the south east of our region; we also attend multi-stakeholder groups on water and flood risk convened by other organisations. As in 2007, we held our annual Stakeholder Forum event which brings together representatives of a wide range of interests.

Affordability

Our work to address affordability concerns, particularly for low income households, was rewarded this year with two awards - the 2008 Utility Week award for outstanding customer care and the Citizens Advice Bureau social policy Oscar.

Our two main initiatives are the Restart scheme for customers who have fallen behind on payments; and the Assist tariff, which offers a reduced bill for customers in severe financial difficulty as well as debt counselling.

Biodiversity Action Plan

We were the first UK water company to develop a biodiversity action plan; 2007/07 marks the initiative's 10th anniversary. The plan has three major parts: conserving biodiversity on our landholding; protecting wildlife during development and maintenance of infrastructure; and funding of projects carried out by third parties such as wildlife trusts.

The external funded projects are predominantly those that contribute to better management of river catchments in our region. Consequently, there are lessons that can be learnt for future implementation of programmes to improve the water environment, such as the Water Framework Directive.

Staff

Over the past four years we have carried out a staff satisfaction survey at our annual staff seminars. The 2007 survey raised some concerns about working culture and management styles. A programme to address these issues has been underway in the last two years; this has included a greater emphasis on staff engagement and communication, as well as team events, some organisational changes and training on management skills.

Reporting

Our sustainability report, Striking the Balance, is available on our website:
<http://www.wessexwater.co.uk/strikingthebalance2008/>

We also produce a booklet of sustainability indicators, quantifying outcomes and explaining trends.