



London Borough of Islington Policy and Performance Scrutiny

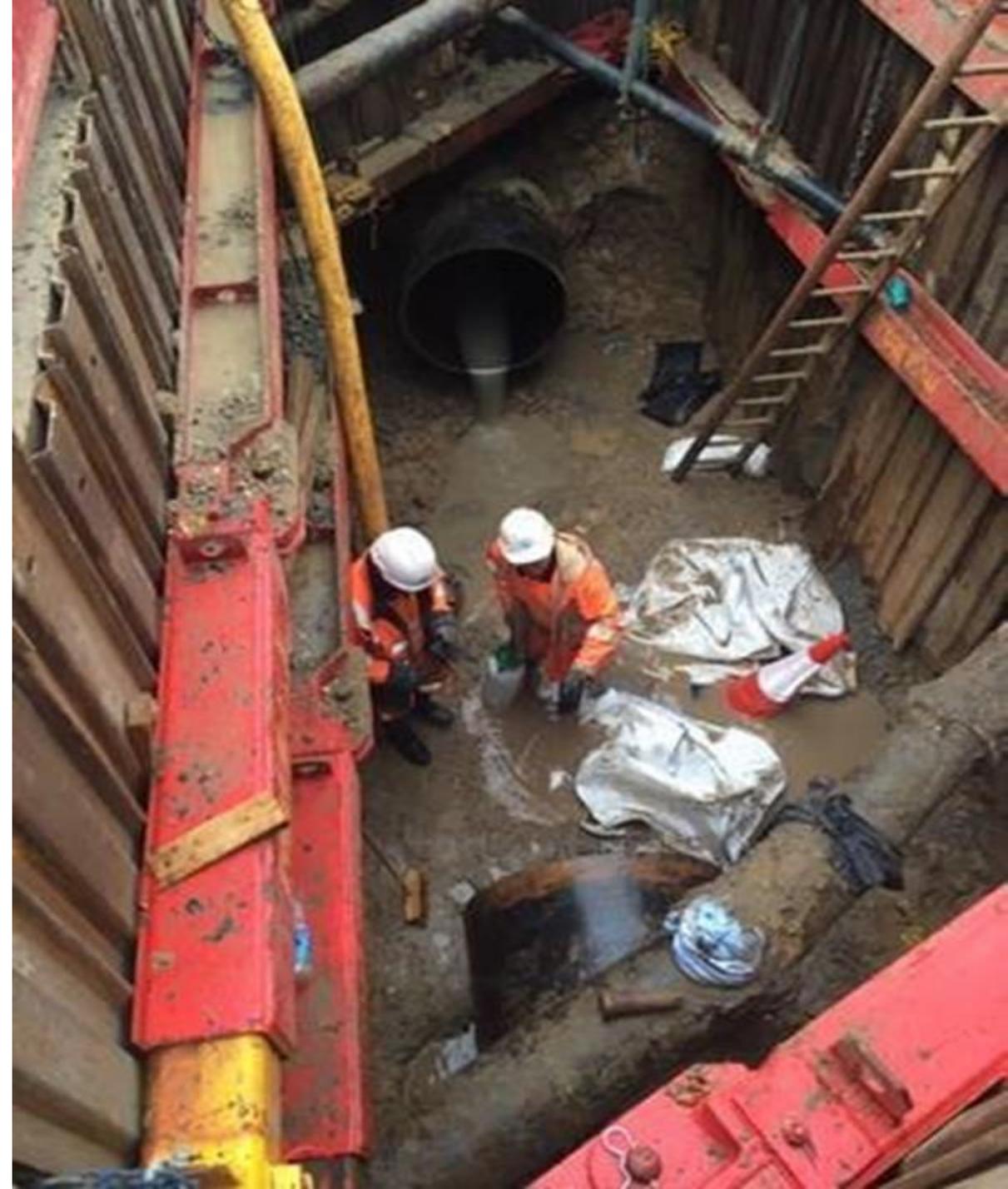
15 September 2022

Martin Padley – Director, London Water

Simon Moore – Head of London Planning

Aims and objectives

- Review of recent bursts and current status
- Reminder of what we said previously
- Update on Seven Sisters Rd/Queens Drive scheme
- Overview of our 2020-25 investment plans
- Overview of Islington's network and investment
- Temporary Use Ban – Summary
- Next Steps



Tollington Rd Burst

Update following burst of 8 August 2022

- Burst occurred on a 36" diameter water main
- Supply interruption for several thousand homes and severe flooding in the immediate area
- Our engineers were on site quickly and able to return supplies by early-afternoon
- In total, 81 properties experienced internal and/or external flooding
 - 73 residential
 - 8 Commercial (including Sobell Leisure Centre)
- We are providing support to every resident who requires it, including 13 in alternative accommodation (some people are going through own insurers)
- We are very sorry to everyone in the community impacted by the burst, and we will do what we can to help people get their lives back to normal



We have replaced a 4.2m section of the failed trunk main following the failure in Tollington Road

Fixing bursts and leaks

- During the summer months there has been an increase in bursts across our network, including:
 - Caledonian Road – 4" main
 - Offord Road – 12" main
- We send burst pipes for forensic testing but it is often hard to pinpoint a precise cause
- Again, we are sorry for all the disruption this has caused but other companies have also seen an increase in bursts
- There are several reasons for this:
 - Dry ground conditions due to drought
 - High customer demand
- We are taking this very seriously and now have 164 teams in London fixing 1,100 leaks every week
- There are also 280 people working around the clock to find the 95% of leaks which are not visible



Reminder of what we said at our last meeting

- We operate 339km of distribution mains and 66km of trunk mains in Islington
- We have **replaced over a third of Islington's water network** since 2000
- Contributed to a **67% reduction in burst rates** in the borough since 2008
- We learnt a lot from Upper Street bursts in 2016:
 - New for Old insurance policy
 - 24/7 New customer incident management response team which supports the customer in the aftermath of an event
 - A clear document for customers on the aftermath of the event
 - Delivered the trunk main strategy review actions – Improvement activities in our capability for managing large pipes
- Following the failure of a 125-year-old 36" main at Queens Drive in 2019, we:
 - Implemented a new incident structure with much improved communications which we hope was clear following the Tollington Road burst
 - Committed to relining 2.1km of the worst condition pipework in Seven Sisters Road and Queens Drive

Seven Sisters Road project overview

The following are the proposals and phases to rehabilitate the Maiden Lane A and B Mains, and Crouch Hill E Main which run from Seven Sisters Road to Mydleton Avenue (Hackney).

Phase 1- Maiden Lane A Main COMPLETED

- Project to reline **630m of 36" Cast Iron Main** from Seven Sisters Road junction with Medina Road to Finsbury Park Road. 17 leaks were identified along Seven Sisters Road, each at joints in the pipework.
- **Key challenges:** Repair of each individual joint by traditional methods would have caused significant lengthy disruption to local area. In order to maintain the required supply to customers, the main cannot be reduced significantly in internal diameter therefore use of innovative Die Draw Technique used to reline the pipe.

Phase 2 – Maiden Lane A Main UNDER CONSTRUCTION

- When all mains in the area were risk assessed by Thames Water, the decision was made to further invest in rehabilitation of the remaining mains of similar age, size and condition in the area.
- Phase 2 is the relining of **a further 700m of mains** between Finsbury Park Road to Mydleton Avenue. Again this work requires a tight fit liner to be fitted to ensure no reduction of the bore of the main. Phase 2 is due to commence construction in June 2022 and the main will be fully commissioned by 31st December 2022.

Phase 3 – Maiden Lane B and Crouch Hill E FUTURE

- Phase 3 of the project will rehabilitate the remaining, **approximately 800m**, of pipework in the area from Seven Sisters Road (junction with Blackstock Road) to Mydleton Avenue.
- Maximum bore must be maintained in the Maiden Lane B 36" Main and as such a tight fit liner technique will be used on this main. The Crouch Hill E main is being assessed for a suitable, least disruptive solution for rehabilitation

Our 2020-25 investment plans

- Our regulatory **Final Determination for AMP7 is a very challenging plan** e.g. 33% less capital funding for improving key targets e.g. Leakage which is three times harder than 2015-20
- Our Shareholders have now not taken dividends for a fifth year in a row and have committed to spending an additional **£0.5bn in 2022-23**, with a plan for a **further £1bn before 2025**
- This is on top of **~£700M of extra investment over the last 4 years** with ~50% on the Water infrastructure and enables the release of a further **£300m to be spent on London's water mains**
- We continue to work with our regulators to define our 2025-30 plans (AMP8) in which we hope to continue our programme of investment in London's water network
- But we are not where we need to be so our new CEO but in place an **8-year turn around plan**. We have just finished the first year which saw us put the foundations in place by bringing in a new Executive team, reconnecting with our values, starting to improve our performance and becoming more efficient.

Our 2020-25 investment plans

We have committed to the most stretching set of targets for water supply in our history, including:

- 20% leakage reduction from our network
- 70% reduction in interruptions to our customers' supplies

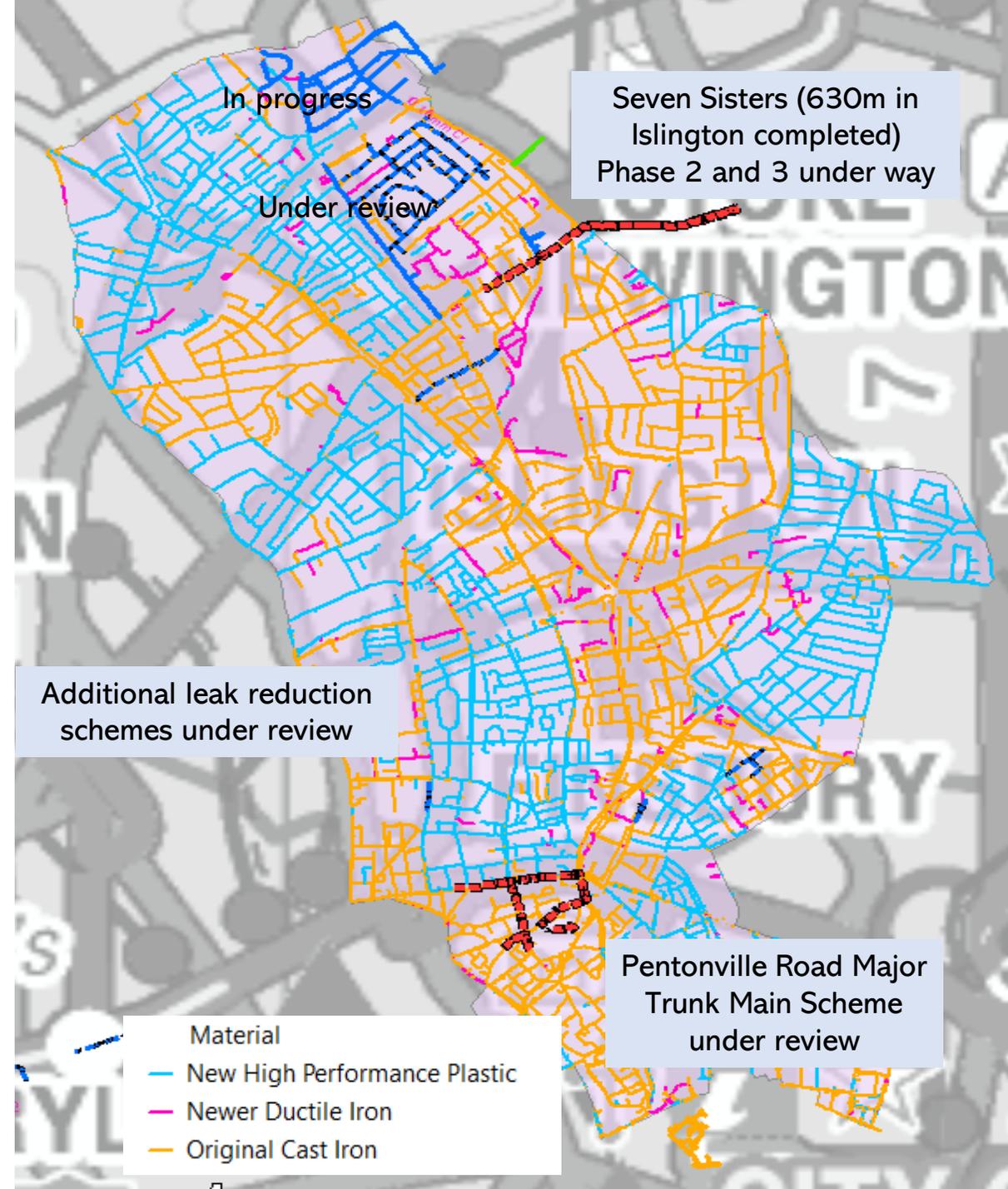
...which we will achieve through business changes and targeted investment across London and the Thames Valley including:



- The intelligent operation of our existing assets
- Targeted investment to replace our worst performing pipes
- Reducing damaging pressure waves which can 'shock' our network
- Installing over 400,000 new smart meters for our customers
- Improvements to the resilience of our treatment and storage capabilities

Other water network investment planning in Islington

- Islington has one of the highest rates of mains replacement of any borough we serve (34% replaced since 2000)
- We have installed 5,032 smart meters since 2015 in Islington and will be focusing on ~600 more complex locations and local authority housing in AMP7
- We repair an average of 226 mains bursts per year alongside 234 bursts on the 'communication pipes' to customers' properties and 53 repairs to customers' own pipework
- We have identified a number of burst hotspots in the borough where we are undertaking mains replacement, with further proposed mains replacement schemes in the pipeline
- We have 6.8km of mains replacement nearing completion. A further 2.5km will be delivered in 2023-24
- Further schemes totalling circa 5.5km (Includes the red risks) are under review



Temporary Use Bans

Why is there a hosepipe ban?

- The last year has seen much lower than average rainfall
 - 10 of the last 12 months have been below average
 - July was driest since 1885 in London
 - 46% of average in August
- Demand has also been high due to the heatwave – 150 million litres per day extra in July
- Demand in London has dropped to normal levels
- However, storage levels in London remain well below where we would expect them to be for this time of year



Next steps

- Continuation of 9.3km AMP7 mains replacement programme (further 5.5km under review for inclusion)
- Detailed design and engagement on Pentonville Rd trunk main scheme expected late 2022
- Seven Sisters/Queens Drive trunk main scheme – Phase 2 completion due December 2022, Phase 3 to commence following this
- We will continue to work with the regulator to build the case for a substantial programme of investment in the next regulatory period (2025-30)
- Continue with our turnaround plan to make sure the business is working as our customers expect



Thank you