

Severn Trent Water – Final Business Plan (2010-15)



CCWater like the way Severn Trent's plan reflects customer priorities. We value the transparent and open consultations they have had with us and other stakeholders in developing the programme.

Sir James Perowne,
Consumer Council
for Water



Natural England is pleased to have been involved with Severn Trent throughout the business planning process and we very much value our relationship with the company. We have been encouraged by the commitment to maintaining and enhancing the environment, particularly for biodiversity and the development of more sustainable catchment management solutions.

Roger Owen,
Natural England

We believe we have a high quality, holistic and balanced Final Business Plan which has customers at its heart and takes into account the interests of all our stakeholders.

We submitted our Final Business Plan for 2010-15 to Ofwat on 7 April 2009.

Our Plan is aligned to our eight Key Strategic Intentions (KSIs) set out in our 25 year Strategic Direction Statement. It has customers at the heart of it, in delivering the improvements they want for a price they consider to be good value for money with the help of our talented and committed workforce.

The plan has been put together in a holistic and balanced way and has been produced directly from our business planning process. It reflects the views of the wider stakeholder groups we consulted during its preparation. We have engaged with the Consumer Council for Water, the Environment Agency, the Drinking Water Inspectorate and Natural England, sharing the results and outcomes of our plan and research. We undertook extensive research into customer expectations and their willingness to pay for improvements as our plan developed.

The next steps in the business plan process will be for Ofwat to publish its draft determination of prices for consultation in July 2009 and final determination in November 2009.

Key improvements outlined in the Plan include:

| KSI | Examples of key outputs planned for 2010-15 |
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| Providing a continuous supply of quality water | <ul style="list-style-type: none"> Increased spending on our assets to <ul style="list-style-type: none"> Increase network resilience Ensure that the environmental and drinking water quality improvements achieved since privatisation are maintained Sustainable solutions through catchment management |
| Dealing effectively with waste water | <ul style="list-style-type: none"> Improving services by reducing sewer flooding Environmental improvements delivered through improving sewage treatment works Sustainable solutions for drainage |
| Responding to customers' needs | <ul style="list-style-type: none"> Lowest possible bills rising by just 4% in real terms by the end of 2010-15 Improving the quality and speed of response when customers contact us |
| Minimising our carbon footprint | <ul style="list-style-type: none"> Taking into account carbon impacts when assessing quality and environmental improvements |
| Having the lowest possible charges | <ul style="list-style-type: none"> Delivery of continued improvements in efficiency, for both operating costs and capital expenditure, to keep bills down |
| Having the right skills to deliver | <ul style="list-style-type: none"> Maximising the benefits of our process, technology, workplace and structural changes, whilst retaining and upskilling the talent of our workforce |
| Maintaining investor confidence | <ul style="list-style-type: none"> A plan financed to strike the right balance in keeping prices low for the long term and maintaining investor confidence, including delivering a sustainable and progressive dividend policy |
| Promoting an effective regulatory regime | <ul style="list-style-type: none"> Continuing to work constructively with our regulators and government on ways in which the regulatory regime could be improved for customers and the environment Having a business plan that is realistic and robust |