

From the Rt Hon Greg Clark MP



HOUSE OF COMMONS

LONDON SW1A 0AA

David Black
Chief Executive
Ofwat

10th July 2023

Dear Mr Black

Thank you for our meeting on Thursday about the performance of South East Water and the resilience of its infrastructure.

As we discussed, for thousands of my constituents to have suffered two periods of cuts to our water supplies of drinking water – in December last year and in June of this year – is unacceptable in a business whose sole purpose is to supply water to customers.

These outages have been compounded by the imposition of a hosepipe ban, despite having experienced a particularly wet winter and spring. Indeed, even after the recent few weeks of warm weather, Bewl reservoir is still at over 90% of capacity.

It is wrong to attribute blame to customers for working from home. There are many places in the UK in which more people are working from home since the pandemic, yet South East Water is the only company to have cited this as a reason to restrict access to water.

As I said in my debate in the House of Commons in January, the most essential problem is that South East Water have not invested adequately in the resilience of their infrastructure and that needs to be rectified without delay.

I was encouraged that you will summon the Board of South East Water to address these deficiencies and that you will have that meeting before the end of the month.



As I set out in our discussion, I would be grateful if you would do the following in that meeting:

- Use your powers to accelerate the investment in upgrading the network that is required by South East Water
- Investigate whether the investment and the projects are adequate to address the demonstrated fragility of South East Water's network in and around Tunbridge Wells, and if not, direct that they should be upgraded
- Impose substantial fines on South East Water and use your powers to set them, exceptionally, significantly above the normal tariff for outages given the persistent problems caused to customers and the failure to provide a reliable service
- Make it clear that no bonuses should be paid to those Executives who are responsible for the failure of adequate service to my constituents over the last year
- Ensure that no dividends are paid out of the regulated business to the holding company until the required investment has been made
- See that compensation is paid to those customers affected
- Direct a more timely and effective response readiness for any future problems

If South East Water fails to make the necessary improvements they should have their licence revoked.

I am grateful to you for agreeing to have a further meeting with me following your meeting with South East Water's Board to discuss progress.

Yours sincerely

A handwritten signature in black ink that reads "Greg Clark". The signature is written in a cursive style with a large, sweeping initial "G".

Rt Hon Greg Clark MP