



Department
for Environment
Food & Rural Affairs

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Dr Thérèse Coffey MP
Parliamentary Under Secretary of State
for the Environment

Huw Merriman MP
House of Commons
London
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Your ref: HM/FM/362
Our ref: MC2018/05397/TP

12th March 2018

Dear Huw,

Thank you for your letter of 6 March about the water supply issues in your constituency.

On the 6 March, I chaired a meeting of water company chief executives, Ofwat and Water UK to make sure that water companies in England are working to restore supplies as quickly as possible. At the time of writing, South East Water assures me that they have restored supplies to all their customers in your constituency of Bexhill and Battle, and across their network, overnight on 6 March. However, they are aware that some of their customers may still be experiencing low water pressure or intermittent supply as they continue to detect and fix leaks.

I made it clear in my oral statement to Parliament on 6 March that the water companies have the opportunity to offer discretionary compensation and that I would welcome their doing that. South East Water has confirmed that they will make their compensation arrangements public shortly. South East Water needs to meet standards for water supply and can be fined by Ofwat if it does not. While there are exemptions for extreme weather events, Ofwat will determine whether the minimum compensation requirements under the Guaranteed Service Scheme (GSS), will apply after the event. As I said to the ~~H~~ouse on 6 March there is nothing stopping companies from providing discretionary compensation to affected customers and I would welcome their doing so. Once the situation is restored to normal, we expect Ofwat to formally and thoroughly review the performance of the companies during this period.

The Government will consider any recommendations from the review and act decisively to address any short-comings exposed. As part of that review, Ofwat will decide whether statutory compensation should be paid. This Government actively supports a properly regulated water sector. We have high expectations of water companies increasing their investment in their water and sewerage networks and have made this clear in the strategic policy statement issued to Ofwat last September and again, when the Secretary of State addressed the water industry on 1 March. We want a water industry that works for everyone, is fit for the future, improves performance and makes sure that bill payers are getting the best possible value for money. Ofwat will be given any powers it needs, to ensure that water companies up their game and meet their customers' needs and expectations.

Yours sincerely,

Thérèse

DR THERESE COFFEY MP

