Overview and Scrutiny Thames Water



A report by the Overview and Scrutiny Committee November 2017



Contents

	Chair's introduction	02
1.	Executive summary	03
2.	Recommendations	04
3.	Outline of scrutiny	05
4.	The context	06
5.	The findings	08
6.	Conclusion	13
7.	Monitoring and ongoing scrutiny	13
8.	Initial Response	13

Chair's Introduction

On 27th November 2016 the London Fire Brigade reported that they were with a coach stuck in a collapsed roadway following a burst water main in Lee High Road near Lewisham Town Centre.

Fire crews were initially called at 17:25 on Saturday (November 26) and assisted 40 people from the coach. Another 40 people were also evacuated from local properties affected by flood water and sandbags were distributed to residents and businesses.

Crews from Lewisham, Greenwich, Lee Green, New Cross and Forest Hill fire stations remained at the scene until the early hours of Sunday morning.



A command unit from the Brigade remained at the scene on Sunday to assist Thames Water and the local authority with the removal of the coach. Approximately 3,000 homes in the area were without water.

This report follows other incidents across London and the joint scrutiny work of the London Boroughs affected and the GLA.

Thames Water commissioned an independent review by Paul Cuttill OBE.

I am particularly pleased that by working constructively together with other London Boroughs, the GLA, the London Fire Brigade and Thames Water a set of recommendations that improve London's infrastructure and response have been made.

Wei Zheng the Chinese Prime Minister of the Tang Dynasty (618-907 AD) famously said: "Water can carry a boat or sink it"¹ – I hope we have helped the boats to float.

Councillor Alan Hall Chair of the Overview and Scrutiny Committee

¹ Quoted in: Gunter Brauch et al (eds.), Coping with Global Environmental Change, Disasters and Security (Berlin, 2011)

1. Executive Summary

- 1.1 The major water mains bursts that occurred across London, including in Lewisham, in 2016 were incredibly disruptive to residents and businesses. The Overview and Scrutiny Committee recognised this and wanted to hold Thames Water to account in terms of the very significant impact the incidents had, both at the time and since. The Committee also wanted to make sure that Thames Water would provide immediate, short term and longer term support to those affected; and work closely with residents and local businesses to help them get their lives and businesses back to normal as quickly as possible.
- 1.2 The Committee recognised that there was value in working with other boroughs that had been similarly affected by burst water mains and the recommendations contained in this report are joint recommendations with the London boroughs of Islington, Hackney and Lambeth and endorsed by the London Assembly Environment Committee.
- 1.3 The recommendations focus on improving Thames Water's communications with customers; strengthening and formalising their compensation arrangements and customer care policies; prioritising investment in replacing ageing Victorian pipework; and ensuring that monitoring technology is fit for purpose with effective feedback mechanisms. The Overview and Scrutiny Committee, and Scrutiny colleagues in other affected boroughs, also believe that the London Mayor, the GLA and all London Boroughs should support the campaign of the Fire Brigade Union to become the statutory Emergency Response Service for flooding. This was recommended by the Pitt Review in 2008² and is necessary in light of the severe flooding that has occurred across the capital to date and given the fact that such occurrences are more likely in the future due to the ageing Victorian trunk mains network across London.

² Recommendation 39:

http://webarchive.nationalarchives.gov.uk/20100807034701/http:/archive.cabinetoffice.gov.uk/pittreview/ /media/assets/www.c abinetoffice.gov.uk/flooding_review/pitt_review_full%20pdf.pdf

2. Recommendations

- 2.1 The boroughs of Lewisham, Islington, Lambeth and Hackney have agreed the following recommendations:
 - 1. That Thames Water improve their emergency response arrangements including instituting a dedicated emergency response line for the reporting of leaks and investigating the possibility, with the Metropolitan Police Service, of receiving a 'blue light' service from the Police should a major incident be declared.
 - 2. That Thames Water improve and join up their monitoring system for detecting the likelihood of bursts on major trunk mains.
 - 3. That Thames Water, when submitting their case to OFWAT for their future 5 year investment plans, prioritise the phased improvement of ageing Victorian pipe replacement on major trunk mains. This should be completed within a specified period to be determined and published by Thames Water, but 15 years is proposed, given the problems that major bursts on these roads cause to businesses and residents.
 - 4. That Thames Water develop and publish performance and attendance standards, both in relation to major and minor pipe bursts.
 - 5. That a clear and comprehensive compensation policy be developed by Thames Water, covering clean up/insurance/compensation and goodwill payments. This should be clearly communicated to customers and available on the company website. Compensation for inconvenience should be formally recognised and included in the policy.
 - 6. That the Mayor, GLA and London Boroughs support the campaign of the Fire Brigade Union to become the statutory Emergency Response Service for flooding, as recommended by the Pitt Review in 2008³, in view of the recent major bursts resulting in severe flooding and given the fact that such occurrences are more likely in the future due to the ageing Victorian trunk mains network across London.
 - 7. That the London Plan should include provision, when planning permission for basements is being requested, to ensure that a risk assessment is carried out prior to approval to ensure the risk to life of flooding is minimised.

³ Recommendation 39:

http://webarchive.nationalarchives.gov.uk/20100807034701/http:/archive.cabinetoffice.gov.uk/pittreview/ /media/assets/www.c abinetoffice.gov.uk/flooding_review/pitt_review_full%20pdf.pdf

3. Outline of scrutiny

- 3.1 Eight major bursts occurred in London between October and December 2016. The bursts were significant both in terms of the number of people affected by the flooding caused, and the number of road closures necessary to repair the pipes. There were two major bursts in Lewisham and as a result, the Overview and Scrutiny Committee decided to investigate this important issue.
- 3.2 The timetable for Lewisham's scrutiny was as follows:

22 January 2017 – meeting of Overview and Scrutiny Committee at which Thames Water attended to answer questions.

3 February 2017 – meeting held in Lewisham at which Islington, Hackney, Lambeth and Lewisham agreed to pursue a coordinated approach to providing their findings to Thames Water, in consultation with the London Assembly Environment Committee, which has also investigated these matters.

13 June 2017 – meeting held at the GLA to agree joint recommendations.

31 October 2017 - meeting of Overview and Scrutiny Committee at which Thames Water attended to answer questions, present their response to the joint recommendations and present their strategic review.

4. The Context

- 4.1 The water mains bursts that occurred across London, including in Lewisham, in 2016 were incredibly disruptive to residents and businesses.
- 4.2 The eight major bursts were as follows:

10 October – Crayford Road, Dartford

- Substantial flooding to homes and businesses in Crayford, and water supplies to some customers were interrupted.
- Burst was from 12" and 18" diameter pipes laid in the 1880s.

15 October and 16 December – Leigham Vale, Lambeth

- Around 25 properties affected by flooding these were affected twice in two months.
- Burst was from a 21" diameter pipe laid in 1880.

25 October – Camberwell New Road, Southwark

- The burst resulted in severe flooding to the A202 but minimal flooding to properties.
- Burst was from a 30" diameter pipe a 1941 wartime repair from a bomb strike on a pipe laid in 1870.

26th November – Lee High Road, Lewisham

- 52 properties were flooded and customers in the surrounding area were without water or experienced low pressure for a short period. A coach got stuck in the collapsed carriageway.
- Burst was from a 24" diameter pipe laid in 1900.

5th December – Upper Street, Angel, Islington

- Significant flooding in the area, with approximately 100 properties affected.
- Burst was from a 36" diameter pipe laid in 1850s.

11th December – Northwold Road, Stoke Newington, Hackney

- Estimated 150 properties had to be evacuated, 20 homes and businesses were flooded.
- Burst was from a 30" diameter pipe laid in 1868.
- 4.3 A further event on 10 December 2016 in Lee Road, Blackheath, flooded 10 businesses and 8 homes in Meadowcourt Road. This was a distribution main, not a trunk main, and the burst was caused by accidental contractor damage.

4.4 Four of the London boroughs affected by these bursts (Islington, Hackney, Lewisham and Lambeth) have conducted scrutiny investigations into the incidents. The boroughs also agreed, following a meeting held at Lewisham on 3 February 2017, to pursue a coordinated approach to providing their findings to Thames Water, in consultation with the London Assembly Environment Committee, which has also investigated these matters.

5. The Findings

Islington and Hackney

- 5.1 The London Boroughs of Islington and Hackney have been working together and separately to investigate the response to flooding caused by water main bursts in their areas. Joint questioning of Thames Water by Islington and Hackney took place on 18 January 2017. Issues covered included the level of investment that Thames Water had committed to improving its pipes and other infrastructure; their approach to maintenance and how they might better identify and deal with small leaks before they escalate; and whether emergency events such as the burst water main pipes that had led to this scrutiny, could be responded to more effectively.
- 5.2 Following this meeting, Islington and Hackney delivered separate scrutiny forums in which residents and businesses were given the opportunity to ask Thames Water directly about the causes of the events, their response to it, and their management of the aftermath, and to discuss any individual cases.
- 5.3 The Living in Hackney Commission⁴ wrote to Thames Water to outline its findings, and set out some proposals for change⁵. This helped lead to further engagement by Thames Water with the properties affected and those surrounding them, and assurances that this would continue as further remedial action is planned and delivered. An additional goodwill gesture (£500 in vouchers for residents who had helped to protect their and their neighbours' homes) was also secured in recognition of the efforts made by residents to barricade water away from their properties.
- 5.4 Islington's Policy and Performance Committee met a number of times since the joint meeting with Hackney in January to scrutinise the flooding response. This included a meeting to enable residents and businesses to raise issues relating to the flooding for the Council to take forward with relevant parties; and a meeting to discuss the flooding incident with Ofwat. The Committee has recommended improving emergency response arrangements; investigating and installing improved technologies to detect the likelihood of bursts on major trunk mains; prioritising the replacement of ageing Victorian pipes on major trunk mains; and improving communications with, and guidance for, residents.

Lambeth

5.7 The London Borough of Lambeth set up a Burst Water Mains Scrutiny Commission which held a single meeting on 25 April 2017⁶. The aim was to gather the views of residents, businesses, ward councillors and other stakeholders on the flooding incidents that had taken place in Lambeth and put questions to representatives of Thames Water on such issues as the causes

⁴ See: <u>www.hackney.gov.uk/living-in-hackney-commission</u>

⁵ See: <u>letter to Thames Water [pdf, 177.16Kb]</u>

⁶ See: <u>https://moderngov.lambeth.gov.uk/ieListDocuments.aspx?Cld=775&Mld=10100&Ver=4</u>

and effects of the incidents, the customer response (e.g. clean-up operations and processing of insurance claims), the water mains maintenance and investment regime and measures being taken to prevent future bursts.

Lewisham

- 5.5 The Overview and Scrutiny Committee met on 23 January 2017 to discuss the flooding experienced in Lewisham and question representatives from Thames Water. Although feedback from those who were flooded was generally positive in relation to the speed of response from Thames Water, the Committee found that:
 - Communications with residents needs to improve: Thames Water twitter and website communications don't always get things right.
 - The service provided in the event of damage caused by flooding needs to be more bespoke and respond better to individual needs: this will require working closely with loss adjusters and build a long term relationship with affected customers.
 - Large scale trunk main failures seem to be happening more regularly and this requires investigation and action over and above what has taken place so far. In Lewisham, 33% of permits issued by TfL have been for immediate permits (i.e. to deal with leaks/incidents on trunk main roads after the event rather than scheduled work which can be planned to reduce congestion and disruption).
- 5.6 The Committee also noted that, because of the severity of the numerous incidents over the last few months, TfL commissioners had written formally to the Chief Executive of Thames Water, and followed this up with a meeting, outlining their concerns and requesting further investment to avoid future incidents.

Joint working

- 5.8 Throughout, the boroughs have made efforts to ensure a coordinated approach to the scrutiny of Thames Water. This has included:
 - A meeting between Lambeth, Islington and Lewisham, held at Lewisham, on 3 February 2017, to ensure the scrutiny investigations were joined up.
 - Lambeth councillors attending Islington's scrutiny meeting on 20 April to put questions to Ofwat.
 - An Islington councillor speaking at Lambeth's commission meeting on 25 April.

As outlined below, there has also been liaison with the London Assembly Environment Committee.

London Assembly Environment Committee



GLA Meeting to agree joint recommendations, 13 June, 2017

5.9 The London Assembly Environment Committee has also investigated the issue of burst water main pipes and questioned Thames Water representatives at committee meetings held on 19 January 2017 and 15 June 2017 over the various incidents that occurred in London in 2016. At a pre-meeting held on 13 June 2017 involving London Assembly Members and scrutiny members from affected boroughs, attended by the Chair of the Overview and Scrutiny Committee, Councillor Alan Hall, it was agreed that a set of joint recommendations for Thames Water would be presented, as outlined in section 2 of this report.

Thames Water

5.10 Following the major bursts across London in 2016, Steve Robertson, the Thames Water Chief Executive, commissioned an independent forensic analysis review. This was completed at the end of March 2017 and was made public on 25 April 2017:

https://www.thameswater.co.uk/sitecore/content/Corporate/Corporate/Aboutus/Investing-in-our-network/Trunk-mains-review

5.11 The independent review was led by Paul Cuttill OBE, and covered:

- The causes of each burst asset condition, its location and environment, and whether any patterns of failure could be identified
- The impact on customers, the wider community, and the cost
- The immediate response identifying what Thames Water and others did well and what needs to improve
- The network whether Thames Water needs to make changes to network configuration, pumping and control regimes.

5.12 The review found that:

- There was no single common cause of the bursts. Whilst age and condition of the pipes was an underlying factor in the eight high-profile failures, there were no systematic failings that could be said to have consistently caused or enabled the bursts.
- Although there is a clear investment strategy and plan for trunk mains that is supported by risk and statistical modelling, Thames Water should improve its understanding of its network and improve how it manages existing data and knowledge.
- The 'building blocks' necessary to deliver Thames Water's trunk mains plans and commitments are in place but Thames Water should improve its management of its planned works and make better use of local knowledge.
- Thames Water should accelerate the roll-out of monitoring units (equipment that can monitor where bursts may happen or have already occurred), refresh how it prioritises alarms, increase its capacity to analyse data, and work with partners to develop new, innovative ways of assessing the condition of its pipes.
- Communication should be improved with customers and within the company itself (immediately after bursts have happened). Thames Water's capacity to deal with multiple major incidents also needs to improve, and how it can better learn from incidents after they've taken place.
- 5.13 Thames Water has welcomed the findings of the review, begun implementing its recommendations and committed an additional £97m investment into the trunk main network over and above the amount stated in its business plan for 2015 to 2020. The company has stated that its focus is to fix the mains at highest risk, as well as deploying monitoring equipment at additional locations.
- 5.14 On 2 October 2017, Thames Water published its Strategic Review, which builds on the findings of the Cutthill report, and includes 15 commitments to improving performance. Key aspects of this are recruiting extra night time resource and improving assurance processes for customers. The Strategic review makes 15 commitments, across five key areas: Thames Water's operating model; monitoring; asset information; risk management and event response. Thames Water will deliver these commitments through an implementation phase over 18 months:

https://corporate.thameswater.co.uk/About-us/Investing-in-our-network/Trunkmains-review

Further Lewisham scrutiny

5.15 At its meeting on 31 October 2017, The Committee heard from four Thames water officers: Mark Mathews, Local and Regional Government Liaison Manager; Sarah Hurcomb, General Manager for South London; Tim McMahon, Head of Water Networks; and Harriet Brown, Local and Regional Government Liaison Officer.

5.16 It was reported that:

- A number of capital investments had been made since the two major bursts in Lee High Road and Lee Road at the end of 2016; including £10m of capital investment for Lee High Road to improve the infrastructure.
- 90 metres of pipework on Eltham Road had been replaced with cross connections for strengthening purposes and chambers for monitoring.
- Thames Water had improved its approach to monitoring its trunk mains and by 2025 aimed for 25% of its network to be covered by monitoring. Customer response had also been improved with 24 newly trained customer representatives now responsible for managing cases for customers from the day of the burst to resolution.
- 5.17 In response to questions from Members of the Committee, Thames Water officers reported that a new shift pattern had been introduced to improve the response available in the case of an out of hours event, especially 2am to 8am, and a night time complex manager had been appointed. Thames Water was also working more closely with Transport for London. This included coordinating work so there would be a single excavation on key roads (e.g. Deptford High Street).

6. Conclusion

- 6.1 The Committee welcomes the initial response from Thames Water to the joint recommendations and finds the commitments outlined in the strategic review to be positive. It is essential that the impact of future bursts is minimised so that residents and local businesses can get their lives and livelihoods back to normal as quickly as possible.
- 6.2 The Committee will be very interested to consider Thames Water's Business Plan when it is published next year, as it believes that the replacement of the capital's ageing Victorian pipework is a key part of reducing the likelihood and impact of future bursts.
- 6.3 The Committee hopes that full Council will get behind the campaign of the Fire Brigade Union to make the Fire Brigade the statutory Emergency Response Service for flooding.

7. Monitoring and Ongoing Scrutiny

7.1 The Committee notes that Thames Water's Business Plan (2020 – 2025) will be released for consultation in early 2018 and will include options for a comprehensive long term programme of pipe replacement. The Committee may ask Thames Water to attend a future meeting, following the publication of this document.

8. Initial response

8.1 The initial response from Thames Water to the joint recommendations can be found below.



Wholesale Water

Charlotte Dale LB of Lewisham Scrutiny Manager LB of Lewisham

 Our ref
 Strategic Trunk Mains Review

 Name
 Timothy McMahon

 Phone
 0800 0093965

 E-Mail
 Customer.Feedback@thameswater.co.uk

12 October 2017

Dear Charlotte,

Lewisham Council Overview and Scrutiny Committee

Thank you for your email of the 19 July setting out the trunk main burst recommendations from the London Borough of Lewisham's Overview and Scrutiny Committee.

The recommendations submitted by the Council have assisted us in finalising our Trunk Mains Strategic Review and we are pleased to provide a detailed response to the Committee's recommendations.

We recognise how disruptive and upsetting the 2016 trunk main bursts were for our customers. They had a significant impact both at the time, and since, particularly for people whose homes and businesses were flooded.

We continue to work hard to provide the support people need to bring their lives and businesses back to normal as quickly as possible.

Our Trunk Mains Strategic Review, which builds on the recommendations of the preceding independent 'Forensic Review' led by Paul Cuttill OBE, was published on the 2 October. Enclosed with this letter is a copy of the Strategic Review. The Strategic Review makes 15 commitments, across five key areas:

- our operating model;
- monitoring;
- asset information;
- risk management and
- event response.

We will deliver the 15 commitments from our Strategic Review through an implementation phase over the next 18 months.

Many of the recommendations are fulfilled by our commitments in the Strategic Review or through our business as usual processes.

Set out below we respond to each of the Committee's recommendations:

Registered address: Thames Water Utilities Limited, Clearwater Court, Vastern Road, Reading RG1 8DB Company number 02366661 Thames Water Utilities Limited is part of the Thames Water Pic group. VAT registration no GB 537-4569-15 1) That Thames Water improve their emergency response arrangements including instituting a dedicated emergency response line for the reporting of leaks and investigating the possibility, with the Metropolitan Police Service, of receiving a 'blue light' service from the Police should a major incident be declared.

Theme 5 of the Trunk Mains Strategic Review provides details of our proposed improvements to event responses. This includes mobilising a dedicated trunk mains event response capability; creating a trunk mains event response improvement programme; and ensuring we provide appropriate customer care.

I can confirm we have a dedicated emergency response line for the reporting of leaks for priority services, including the Police, Fire Brigade and Local Authorities. This number connects direct to our control room and works 24 hours a day.

We work closely with key resilience stakeholder groups, for example through the London Resilience Forum, to discuss and determine best practice measures we can deploy in emergency response events.

The possibility of receiving a 'blue light' service from the Police, should a major incident be declared, is one that is considered on a case by case basis at the time of the event or incident. The ability to provide a 'blue light' service will depend on the circumstances of the incident, including the location of our technical teams and the Police. We continue to work closely with the Police and other emergency services to look at opportunities to improve our speed of response.

2) That Thames Water improve and join up their monitoring system for detecting the likelihood of bursts on major trunk mains.

We can confirm this forms part of our Trunk Main Strategic Review. Theme 2 of the Trunk Mains Strategic Review sets out our commitments under monitoring. Our commitments include, formalising our trunk mains ongoing policy; providing updated and repeatable control room training; developing our data utilisation capabilities; and revitalising our monitoring unit installation process.

For example, through our commitment to revitalise our monitoring installation process, we will increase the speed and reduce the complexity of our process for installing and commissioning Syrnix and Hydroguard monitoring units.

We would be happy to keep you updated on our work to improve our monitoring system.

3) That Thames Water, when submitting their case to OFWAT for their future 5 year investment plans, prioritise the phased improvement of ageing Victorian pipe replacement on major trunk mains. This should be completed within a specified period to be determined and published by Thames Water, but 15 years is proposed, given the problems that major bursts on these roads cause to businesses and residents. In the long term our strategy is to replace the trunk mains network, starting with those parts where the risk of a failure is greatest. Better information about our network and better risk models will help improve the detailed planning required. Our Business Plan for the period from 2020 to 2025 will be released for consultation in early 2018 and will include options for a comprehensive long term programme of replacement. We would be happy to share and seek feedback on our draft plans with the Council in early 2018.

4) That Thames Water develop and publish performance and attendance standards, both in relation to major and minor pipe bursts.

Commitment 5.2 of our Trunk Mains Strategic Review confirms that we will instigate a programme of works to improve our event response capabilities. We will set appropriate Service Level Agreements aligned to customers and stakeholder needs to improve our performance, and refine our event response processes to bring them closer into line with those of the Category 1 responders under the Civil Contingency Act. As part of this work we will consider the most appropriate methods to share our performance.

It may also be helpful to explain that the Discover Water website (<u>https://discoverwater.co.uk/loss-of-supply</u>) provides an overview of how all the water companies in England and Wales compare in relation to the number of burst pipes.

5) That a clear and comprehensive compensation policy be developed by Thames Water, covering clean up/insurance/compensation and goodwill payments. This should be clearly communicated to customers and available on the company website. Compensation for inconvenience should be formally recognised and included in the policy.

We have drafted an information booklet which lays out what a claimants' options are following flooding and explains the claims process. This booklet has been produced in cooperation with the Consumer Council for Water, an independent body that represents water and sewerage consumers in England and Wales. The organisation provides impartial advice and advocacy for consumers.

We have recently shared this draft booklet with customers' affected by flooding events and they have asked for further refinement to our policies, particularly in relation to clarity on insurance and goodwill payments. We have commitment to address these concerns and we will present a final version of the booklet in the near future.

6) That the Mayor, GLA and London Boroughs support the campaign of the Fire Brigade Union to become the statutory Emergency Response Service for flooding, as recommended by the Pitt Review in 2008, in view of the recent major bursts resulting in severe flooding and given the fact that such occurrences are more likely in the future due to the ageing Victorian trunk mains network across London. This recommendation is noted:

7) That the London Plan should include provision, when planning permission for basements is being requested, to ensure that a risk assessment is carried out prior to approval to ensure the risk to life of flooding is minimised.

This is duly noted. It may be helpful to explain that we work closely with the Mayor of London's planning team on the drafting of strategic planning policies for London, including on water, wastewater infrastructure and flooding. We would be happy to work with officers on a flood risk assessment policy, should the Mayor's planning team consider one appropriate.

Next steps

Significant improvement steps have already been taken on our journey to improve our trunk main water network. We have already committed an additional £97m investment into our trunk main network over and above what was in our business plan for 2015 to 2020 and we have set aside additional money to support the trunk mains implementation phase, which we will deliver over the next 18 months.

In Lee High Road in Lewisham we recently trialed a new technology with the aim to help us detect defects on our water pipes and reduce the likelihood future bursts. This innovative trial, a first in the UK, involves lowering a rocket-shaped scanning device through a specially designed hatch built onto the pipe. Following this work we are planning to install new monitors and valves to the trunk main in 2018. This will help to reduce the risk of future bursts in this location.

We will continue to share our progress on the Trunk Mains review with our stakeholders and work with our partners, including the London Boroughs, to deliver on the investment with minimal disruption, engaging with our customers throughout.

I trust you find the above update helpful. Should you have any queries please don't hesitate to contact my colleague Mark Mathews on 07747 647 862 or via email at mark.mathews@thameswater.co.uk.

Yours sincerely

Tim McMahon

Head of Water Networks, Wholesale Water