

Overview and Scrutiny Committee		
Title	Thames Water Scrutiny	
Contributor	Executive Director for Resources and Regeneration (Overview and Scrutiny Manager)	Item 6
Class	Part 1 (open)	11 July 2017

1. Purpose

- 1.1 To provide the Overview and Scrutiny Committee with a summary of the scrutiny that has taken place to date in relation to recent Thames Water incidents in the London Borough of Lewisham and elsewhere in London.
- 1.2 To ask the Committee to note the findings of the independent review of recent trunk main bursts carried out by Paul Cuttill OBE for Thames Water.
- 1.3 To ask the Committee to endorse the joint recommendations arising from pan-London scrutiny on this issue, for submission to Thames Water.

2. Recommendations

- 2.1 The Overview and Scrutiny Committee is recommended to:
 1. Note the content of this report.
 2. Note the findings of the Cuttill review.
 3. Endorse the joint recommendations arising from pan-London scrutiny of this issue, set out at paragraph 5.11, for submission to Thames Water.

3. Thames Water incidents

- 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.

- 3.2 The 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.

3.3 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. Cuttill Report

4.1 Following these major bursts, Steve Robertson, 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. The report can be found here:

<https://www.thameswater.co.uk/sitecore/content/Corporate/Corporate/About-us/Investing-in-our-network/Trunk-mains-review>

4.2 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.

4.3 In summary 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.

4.4 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. Scrutiny of the incidents

5.1 Four of the London boroughs affected by these bursts (Islington, Hackney, Lewisham and Lambeth) have conducted scrutiny investigations into the incidents. The boroughs have 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 is also investigating these matters.

Islington and Hackney

5.2 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.

5.3 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.

5.4 The Living in Hackney Commission¹ wrote to Thames Water to outline its findings, and set out some proposals for change². 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.

¹ See: www.hackney.gov.uk/living-in-hackney-commission

² See: [letter to Thames Water \[pdf, 177.16Kb\]](#)

5.5 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. Recommendations for Thames Water arising from this scrutiny work have been drafted but have not yet been agreed. They are likely to centre on 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 within their 5 year investment plan; and improving communications with, and guidance for, residents.

Lewisham

5.6 The Overview and Scrutiny Committee met on 23 January 2017 to discuss the flooding experienced in Lewisham and question representatives from Thames Water. The minutes arising from that meeting can be found elsewhere on the agenda. 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.

Lambeth

5.7 The London Borough of Lambeth set up a Burst Water Mains Scrutiny Commission which held a single meeting on 25 April 2017³. 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 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.

5.8 Recommendations arising from this meeting have been drafted but have not yet been agreed. It is anticipated that recommendations for Thames Water will centre on improving communications with customers in relation to clean-up, insurance/compensation and goodwill payment policies; improving and formalising compensation arrangements and customer care policies; and ensuring that monitoring technology is fit for purpose with effective feedback mechanisms.

³ See: <https://moderngov.lambeth.gov.uk/ieListDocuments.aspx?CId=775&MId=10100&Ver=4>

5.9 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

5.10 The London Assembly Environment Committee is also investigating 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 Councillor Alan Hall, it was agreed that a set of joint recommendations for Thames Water would be developed.

Joint recommendations

5.11 It is anticipated that the following recommendations will be endorsed by Hackney, Islington, Lambeth and Lewisham:

- 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 2008⁴, 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.

6 Financial implications

- 6.1 There are no financial implications arising from this report per se.
- 6.2 The engineering response to Thames Water incidents is generally directly managed so the cost to the Council should be limited to staff time managing the incident through to recovery and providing community assistance and accommodation etc. if required.
- 6.3 Highway costs for Temporary Traffic Regulation Orders etc. are recoverable. The number of Thames Water incidents, although the majority are small, still result in a significant workload in terms of Street Works co-ordination and noticing etc. and the cost of these works are also recoverable.
- 6.4 Individuals and the wider community may be adversely affected and incur costs as a result of more serious incidents also affecting insurers etc. Larger Thames Water incidents also impact on traffic movements leading to delays and congestion with associated lost output to individuals, the community and wider London with associated financial and economic implications.
- 6.5 Flooding incidents on the public highway can have a significant impact on the durability and lifecycle of both footways and carriageways. This can result in the need for earlier programmed maintenance and potentially also reactive works which have an ongoing cost to the Council in terms of both capital and revenue budgets.

7 Legal implications

- 7.1 There are no legal implications arising from this report.

For further information, contact Charlotte Dale on 0208 314 8286

⁴ Recommendation 39:

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