



Quarterly Report No. 1 of 2021

1

WAB



Water Advisory Body

APRIL 2021

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Foreword



Paul McGowan
Chairperson

Welcome to the first Quarterly Report of 2021 by the Water Advisory Body (the WAB).

In this report we highlight changes to four of our Performance Indicators. We use these Performance Indicators to monitor how well Irish Water is performing.

The WAB welcomes progress in 2020 in reducing the number of **water supplies on the Remedial Action List** and a net reduction of 146,475 consumers served by supplies on the list. We also note the Environmental Protection Agencies' concern that there are nine supplies on the Remedial Action List at the end of Quarter 4 2020 for which Irish Water has not submitted a completion date.

On the **First Fix Scheme** we note a continued and disappointing drop-off in the number of leak repairs completed under the scheme since mid-2016. WAB anticipates that the introduction of the Household Water Conservation (Excess Use Charges) Policy in 2021 (with first bills expected to issue in late 2022 or 2023) will encourage customers to avail of the First Fix Free Scheme and that higher numbers of leak repairs will be achieved in the future.

The WAB notes that Irish Water exceeded their target of 1,100 for 2020 with regard to **replacement of lead connections by replacing 3,025 connections** but that it is highly unlikely that Irish Water will be able to meet the targets it set in its' "Lead in Drinking Water Mitigation Plan" to replace all lead services by 2026.

The WAB welcomes the decrease in the number of **Boil Water Notices at the end of 2020**, but we also note with continuing concern the trends for long term Boil Water Notices highlighted by the Environmental Protection Agency.

The WAB also welcomes the publication of the final decision on the Revenue Control 3 (2020 - 2024) by the Commission for Regulation of Utilities. We note that the Commission has set what it considers to be challenging but achievable targets for Irish Water in terms of capital and operating expenditure efficiency and the delivery of outputs and outcomes in the public interest. The WAB now considers it important for Irish Water to demonstrate delivery.

A handwritten signature in black ink, appearing to read 'Paul McGowan'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Paul McGowan

Chairperson of the Water Advisory Body

Executive Summary

This is the fifth quarterly report published by the Water Advisory Body, and the first report of 2021. With this report, the Water Advisory Body fulfills its function of reviewing the implementation by Irish Water of its Strategic Funding Plan.

The Water Advisory Body was established on 1 June 2018. The purpose of the Water Advisory Body (the WAB) is to advise the Minister on measures needed to improve the transparency and accountability of Irish Water; and to report on a quarterly basis to an Oireachtas Committee on the performance by Irish Water in the implementation of its Strategic Funding Plan.

A set of performance indicators has been selected to represent the activity of Irish Water in relation to the performance of its functions. Data in respect of these indicators is collated and published as part of the Quarterly reports of the WAB in order to provide objective information on Irish Water's performance. This information is relevant to Irish Water itself, to track its own performance over time, but also to further inform both the Minister for Housing, Local Government and Heritage and the Oireachtas on the performance of Irish Water.

A detailed explanation of each key performance indicator is available in Appendix 1.

The information published within this report is accurate as of 28 February 2021.

The following findings from the report are of note, with specific reference to the four Key Performance Indicators that have been updated since the last report:

First Fix Scheme

In 2015 Irish Water introduced the First Fix Scheme to tackle leakage on domestic customers' properties. Reducing drinking water loss through the First Fix Scheme helps to conserve water and can help to reduce the amount of money Irish Water spends on treating and supplying water that is ultimately leaked and not used by customers.

Over Quarters 3 and 4 2019, a total of 1,693 leak repairs were completed. 1,392 of these repairs were external to the customer property and were carried out by Irish Water, and the remaining 301 leaks were internal to the customer property and repaired by the customer. This performance indicator has been updated with data for Quarter 3 and Quarter 4 2019. It shows a further decline in the number of leak repairs completed since Quarter 2 2019 and demonstrates a continued and disappointing drop-off in the number of leak repairs completed under the scheme since mid-2016. This coincides with the suspension and eventual abolition of domestic water charges.

The Household Water Conservation (Excess Use Charges) Policy is expected to be introduced in 2021, with first bills expected to issue in late 2022 or 2023. The WAB anticipates that this will encourage customers to avail of the First Fix Free Scheme and that higher numbers of leak repairs will be achieved in the future.

Future WAB reports will continue to monitor the rate of First Fix repairs by Irish Water and customers.

Remedial Action List (Water)

The figures had been showing a general downward trend in both the number of drinking water supplies on the list and the population that these supplies serve; however, the addition of the Leixlip supply to the Quarter 3 2019 Remedial Action List changed this.

The number of supplies on the Remedial Action List decreased by five at the end of Quarter 4 2020, with the population served by these supplies standing at 1,004,997; down from 1,096,067 in Quarter 3 2020.

The WAB notes the welcome progress made during 2020 in reducing the number of supplies on the Remedial Action List, with a net reduction of seven supplies during the past year. The progress made during 2020 represents a net reduction of 146,475 consumers served by supplies on the Remedial Action List.

The WAB also notes the Environmental Protection Agencies' concern that there are nine supplies on the Remedial Action List at the end of Quarter 4 2020 for which Irish Water has not submitted a completion date. Future WAB reports will monitor the progress of Irish Water in identifying dates by which supplies on the Remedial Action List will be addressed and in meeting the targets they have set to remediate those water supplies through the quarterly updates of the Remedial Action List. The WAB will also monitor the number of new drinking water supplies that are put on to the list in any quarter.

Lead service connections replaced

The WAB notes that Irish Water exceeded their target of 1,100 for 2020 with regard to replacement of lead connections by replacing 3,025 lead connections. Irish Water's target for the entire 5 year term of Revenue Control period 3 (2020-2024) is to replace 13,231 lead connection. The WAB also notes the concerns expressed by the Environmental Protection Agency in its report "Drinking Water Quality in Public Supplies 2019"¹ where it highlighted that by the end of 2019, 17% of public side lead connections had been replaced. Irish Water's target to replace an additional 7% (13,231 connections) of remaining public side lead connections up to the end of 2024 means it is highly unlikely that Irish Water will be able meet the targets it set in its' "Lead in Drinking Water Mitigation Plan"² to replace all lead services by 2026.

Under normal circumstances the WAB expects to see the continued replacement of lead services until the completion date of 2026.

1 http://www.epa.ie/pubs/reports/water/drinking/DW%20Quality%20in%20Public%20Supplies%202019_web.pdf

2 <https://www.water.ie/docs/Lead-in-Drinking-Water-Mitigation-Plan.pdf>

Boil Water Notices

At the end of Quarter 4 2020, 1,335 people were on Boil Water Notices which is a significant decrease on the population on Boil Water Notices at the end of the previous quarter (14,951 people). The WAB welcomes this decrease.

The reduction in the number of people on a Boil Water Notice at the end of Quarter 4 2020 is mainly due to the lifting of a long term Boil Water Notice on the Lough Talt Public Water Supply in December 2020.

At the end of Quarter 4 2020, only one of the 14 Boil Water Notices (serving 1,335 people) was in place for less than 30 days. The WAB notes with continuing concern the trends for long term Boil Water Notices highlighted by the Environmental Protection Agency. It will continue to monitor Irish Water's progress in ensuring that boil water notices remain in place for as short a period of time as possible.

It continues to be the WAB's view that the management and improvement of the drinking and waste water infrastructure and network requires significant and sustained action across a range of areas.

The WAB welcomes the publication of the final decision on the Revenue Control 3 (2020 - 2024) (RC3) by the Commission for Regulation of Utilities.

Of key concern to the WAB now is:

- a) that Irish Water delivers the outputs and outcomes that have been determined in RC3;
- b) that these outputs and outcomes are delivered within the agreed operating and capital expenditure allowances – noting that both these allowances provide for ongoing efficiency on the part of Irish Water; and
- c) that Irish Water implements the recommendations from the Scottish Water International review to the satisfaction of the Commission.

The WAB now intends to:

- ▶ reflect and comment on the updates from the Commission on the implementation by Irish Water of the Scottish Water International recommendations, as they are published;
- ▶ identify a relevant set of Key Performance Indicators under the heading of “cost reduction and efficiency improvement” which we consider can best demonstrate whether Irish Water is delivering on its overall commitments; This work will draw on the work that the Commission is currently undertaking to review the Irish Water Performance Assessment Framework. This review will take account of the outputs and outcomes established under RC3.

The WAB notes that the Commission for Regulation of Utilities has set what it considers to be challenging but achievable targets for Irish Water. The WAB now considers it important for Irish Water to demonstrate its capability to deliver.

Part 1

Introduction

The Water Advisory Body (the WAB) is established under statute. The WAB consists of five members:



Paul McGowan
Chairperson



Martin Sisk



Miriam McDonald



Donal Purcell



Michelle Minihan

Improving the transparency and accountability of Irish Water

Our overall function is to advise the Minister on the measures needed to improve the transparency and accountability of Irish Water for the purpose of increasing the confidence of members of the public in Irish Water. The WAB's functions are set out in the Water Services Act 2017.

Irish Water's Strategic Funding Plan is a public document and available on Irish Water's website www.water.ie.

This report sets out the WAB's view on how Irish Water is performing against its own Strategic Funding Plan. Each report is prepared for the Oireachtas and is published on the WAB's website - www.wateradvisorybody.ie.

Performance Indicators in this Report

The WAB has chosen a set of performance indicators to provide a broad view of Irish Water's performance.

In this report, we explain each indicator and why it is important. The WAB has chosen performance indicators that are a useful reflector of performance and that can be used to monitor Irish Water's performance. The WAB will keep these performance indicators under review to make sure that they remain relevant and continue to be good measures of performance.

There are some areas of interest to the WAB where data are not available. These include cost reduction and efficiency improvements, procurement, remuneration and staffing policies of Irish Water.

The absence of data requires the WAB to take a different approach to measuring performance in the following areas:

Cost reduction and efficiency improvements

In relation to measuring cost reduction and efficiency improvements, the WAB will use the Commission for Regulation of Utilities' Revenue Control 3 Decision on Irish Water to inform discussion on how indicators in these areas might be developed. In August 2020 the Commission for Regulation of Utilities published a Final Decision on Revenue Control 3. This includes the full Capital Expenditure Allowance for Irish Water for the period 2020-2024.

Irish Water procurement, remuneration and staffing policies

In relation to procurement, remuneration and staffing policies the WAB proposes that Irish Water commissions an independent audit on these policy areas, reporting directly to the WAB. The first of these reports will cover procurement policies and procedures.

This review will also encompass the findings of the Scottish Water International review of Irish Water's capital planning process. The first of these reports (Stage 1) will cover procurement policies and procedures. The outcome of Stage 1 will be reported in a quarterly report in mid- 2021.

Following an assessment of the reports, performance indicators for these areas will be developed where practical.

Part 2

Key Performance Indicators

The WAB has selected eleven performance indicators, each measuring the performance of Irish Water under a different heading.

These headings are:

- ▶ infrastructure delivery and leakage reductions (6 indicators);
- ▶ improvements in water quality (3 indicators); and
- ▶ the responsiveness of Irish Water to the needs of communities and enterprise (2 indicators).

This report displays each of the eleven performance indicators. A commentary is provided only on those performance indicators which have been updated in this quarterly report. Where available, the targets that Irish Water is working to in relation to each indicator are also set out.

For each indicator, the Appendix to this report includes a brief explanation of the indicator; and the reason why the indicator is important.

The WAB will continue to refine indicators to ensure they remain a useful measure of the performance of Irish Water.

2.1 Infrastructure Delivery and Leakage Reductions Indicators

This metric is not updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.2 of 2020.

2.1.1 Performance Indicator 1 - Leakage

Figure 1

Annual Average Daily Water Demand (millions of litres or Megalitres of water per day)



2.1.2 Performance Indicator 2 - First Fix Scheme

This Performance Metric is based on information valid up to end 2019 and has been updated in this report.

Figure 3

Combined total of Irish Water and Customer Leak Repairs completed each Quarter



Figure 4

Combined total Savings in Megalitres/day of Irish Water and Customer Leak Repairs completed each quarter



Between the introduction of the First Fix Scheme in 2015 and Quarter 4 2019, the cumulative water savings are estimated by Irish Water to be 154.92 Megalitres/day. A cumulative estimated total of 80.7 Megalitres/day has been saved through repairs carried out by Irish Water and a further estimated 74.22 Megalitres/day of water has been saved through repairs carried out by customers.

Figure 3 shows the number of leak repairs per quarter completed by both Irish Water and the customer. The highest number of leak repairs carried out by Irish Water to date were completed in Quarter 2 2016 while the lowest number was completed in Quarter 2 2017. The highest number of leak repairs carried out by customers to date were completed in Quarter 3 2016, while the lowest number was completed in Quarter 4 2019.

Figure 4 shows the total savings in Megalitres/day estimated by Irish Water as a result of both Irish Water and customer leak repairs each quarter. The highest estimated savings in Megalitres/day as a result of leak repairs carried out by Irish Water took place in Quarter 3 2015, while the highest savings in Megalitres/day as a result of leak repairs carried out by customers took place in Quarter 3 2016.

Commentary

This performance indicator has been updated with data for Quarter 3 and Quarter 4 2019.

Over Quarters 3 and 4 2019, a total of 1,693 leak repairs were completed. 1,392 of these repairs were external to the customer property and were carried out by Irish Water, and the remaining 301 leaks were internal to the customer property and repaired by the customer. As of Quarter 4 2019 Irish Water had completed approximately 17,000 leak repairs and customers had completed approximately 43,000 leak repairs in total. Irish Water estimates that the scheme has saved nearly 155 million litres (ML) of water per day up to the end of Quarter 4 2019.

Project expenditure is reported quarterly in arrears. The cumulative total expenditure up to the end of Quarter 4 2019 is €44,927,106 consisting of €22,870,297 for leak investigations, €17,756,813 for repairs and €4,299,995 for additional costs³. This expenditure is within the original allowed funding amount of €51m for the Scheme. Irish Water has been approved additional funding for the First Fix Scheme over the revenue control period, from 2020 to 2024.

Specific targets have not been set for Irish Water in respect of the First Fix Scheme. This is because availing of a leak investigation and possible First Fix requires a good level of customer engagement to meet any target. It shows a further decline in the number of leak repairs completed since Quarter 2 2019. Figure 3 also demonstrates a continued and disappointing drop-off in the number of leak repairs completed under the scheme since mid-2016. This coincides with the suspension and eventual abolition of domestic water charges. Excess Use Charges for domestic households were planned to be introduced in late 2020, however this was delayed, primarily due to the impact of the Covid-19 pandemic. The Household Water Conservation (Excess Use Charges) Policy is now expected to be introduced in 2021, with first bills expected to issue in late 2022 or 2023. It is expected that this will encourage customers to avail of the Scheme and that higher numbers of leak repairs will be achieved in the future. Future WAB reports will continue to monitor the rate of First Fix repairs by Irish Water and customers.

³ **Source:** Irish Water Leakage Reduction Programme - First Fix Leak Repair Scheme - For Domestic Water Customers - Quarterly Report Q4 2019

2.1.3 Performance Indicator 3 - Remedial Action List (Water)

This Performance Indicator is based on the latest available information valid up to the end of Quarter 4 2020 and has been updated in this report.

Figure 6

The population served by drinking water supplies included on the Remedial Action List from Quarter 1 2018 to end Quarter 4 2020



Commentary

Figure 6 shows the population served by drinking water supplies included on the list from Quarter 1 2018 to end Quarter 4 2020. The figures had been showing a general downward trend in both the number of drinking water supplies on the list and the population that these supplies serve; however, the addition of the Leixlip supply to the Quarter 3 2019 Remedial Action List has changed this. The number of supplies on the Remedial Action List had a net decrease of five at the end of Quarter 4 2020, with the population served by these supplies standing at 1,004,997.

At the end of Quarter 4 2020 the Remedial Action List contained 46 water supplies, which is a net reduction of seven supplies.

The most recent supplies removed from the Remedial Action List (Quarter 4 2020) were:

- ▶ Cavan RWSS, Co. Cavan,
- ▶ Glenmore, Co. Kilkenny,
- ▶ Croom, Co. Limerick,
- ▶ Staleen, Co. Louth,
- ▶ Lough Talt, Co. Sligo, and
- ▶ Ballycastle, Co. Mayo.

The reduction in the population served by supplies on the Remedial Action List from Quarter 3 to Quarter 4 2020 was 92,177 consumers. This progress in reducing the number of supplies on the Remedial Action List during 2020 is a welcome and positive outcome for consumers served by these water supplies.

The most significant of the supplies to be removed were Lough Talt (12,556 consumers) and Staleen (71,111 consumers). Lough Talt Public Water Supply has been on a Boil Water Notice since January 2019 following detections of *Cryptosporidium* in the water supply and associated illness in the community. Lough Talt Public Water Supply was also on the Remedial Action List due to persistent trihalomethane failures (disinfection by-products). Staleen Water Treatment Plant has been on the Remedial Action List for persistent trihalomethane failures. The new water treatment plants installed for both supplies now provide a safe and secure drinking water supply for consumers. Both plants were also significant in the context of the European Union Infringement Proceedings on trihalomethanes against Ireland, progress on which continues to be tracked and reported to the European Commission on an ongoing basis.

The Foynes/Shannon Estuary public water supply was added to the Remedial Action List at the end of Quarter 4 2020 due to persistent pesticide exceedances. This supply serves 7,023 consumers. One supply on the Remedial Action List had an additional category added due to persistent aluminium exceedances at the end of Q4 2020 - Corofin Public Water Supply was previously on the Remedial Action List for Environmental Protection Agency audit observations.

The WAB notes the welcome progress made during 2020 in reducing the number of supplies on the Remedial Action List, with a net reduction of seven supplies during the past year. The progress made during 2020 represents a net reduction of 146,475 consumers served by supplies on the Remedial Action List.

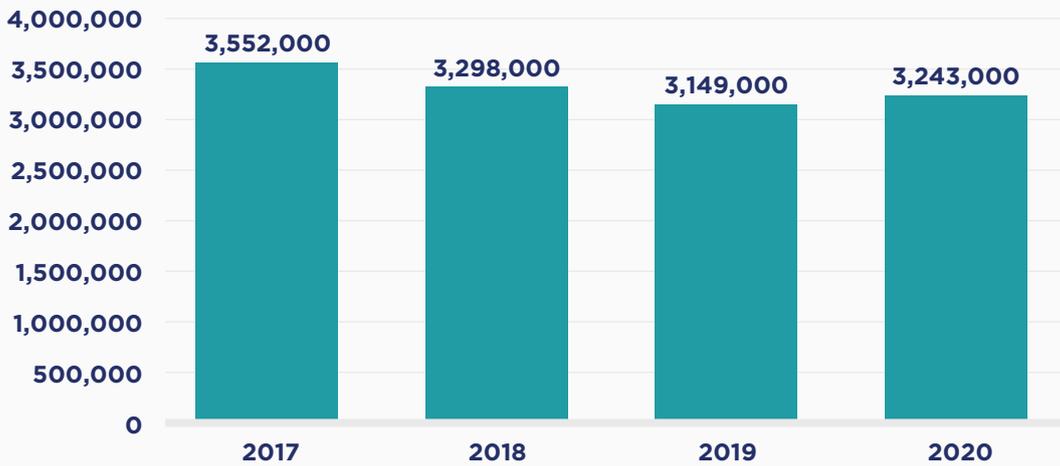
The WAB also notes the Environmental Protection Agencies' concern that there are nine supplies on the Remedial Action List at the end of Quarter 4 2020 for which Irish Water has not submitted a completion date. Future WAB reports will monitor the progress of Irish Water in identifying dates by which supplies on the Remedial Action List will be addressed and in meeting the targets they have set to remediate those water supplies through the quarterly updates of the Remedial Action List. The WAB will also monitor the number of new drinking water supplies that are put on to the list in any quarter. The WAB expects that COVID-19 restrictions will continue to have some impact on the dates for supplies on the Remedial Action List and will continue to monitor Irish Water's progress to assess and address these delays in subsequent reports.

2.1.4 Performance Indicator 4 - Priority Urban Area List (Wastewater)

This metric is not updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.2 of 2020.

Figure 7

Population equivalent served by priority areas



2.1.5 Performance Indicator 5 - Lead service connections replaced

This Performance Metric is based on information valid up to December 2020 including Quarter 4 figures.

Figure 8

Total lead connections replaced (cumulative)



Figure 8 shows the cumulative number of lead connections replaced by Irish Water to date, with detailed replacement figures given for the last twelve quarters. This data is compiled by the Environmental Protection Agency on a quarterly basis.

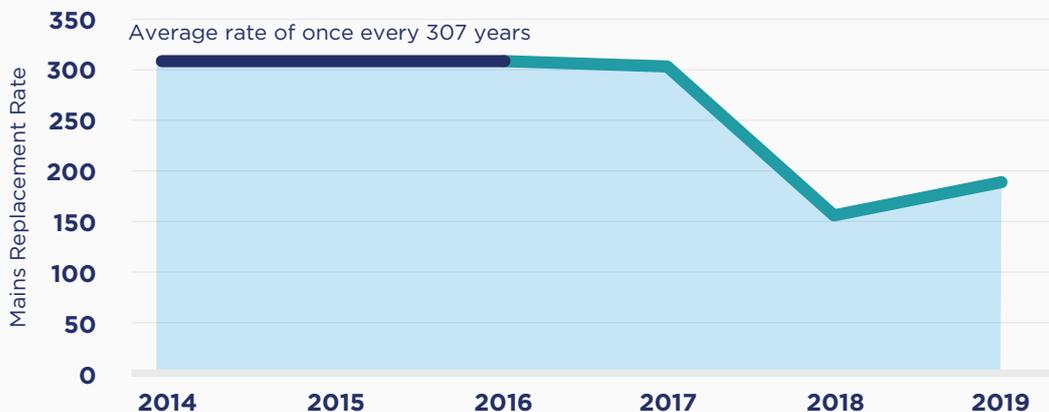
The WAB notes that Irish Water exceeded its target of 1,100 for 2020 with regard to replacement of lead connections and replaced 3,025 lead connections. Irish Water’s target for the entire 5 year term of Revenue Control period 3 (2020-2024) is to replace 13,231 lead connections. The WAB also notes the concerns expressed by the Environmental Protection Agency in its report “Drinking Water Quality in Public Supplies 2019”⁴ where it highlighted that by the end of 2019, 17% of public side lead connections had been replaced. Irish Water’s target to replace an additional 7% (13,231 lead connections) of remaining public side lead connections up to the end of 2024 means it is highly unlikely that Irish Water will be able to meet the targets it set in its’ “Lead in Drinking Water Mitigation Plan”⁵ to replace all lead services by 2026.

Under normal circumstances the WAB expects to see the continued replacement of lead services until the completion in 2026.

2.1.6 Performance Indicator 6 - Mains replacement rate (for water mains)

This metric has not been updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.2 of 2020.

Figure 9
Mains replacement rate 2014 - 2019



4 http://www.epa.ie/pubs/reports/water/drinking/DW%20Quality%20in%20Public%20Supplies%202019_web.pdf

5 <https://www.water.ie/docs/Lead-in-Drinking-Water-Mitigation-Plan.pdf>

2.2 Improvements in Water Quality, including the elimination of Boil water notices

2.2.1 Performance Indicator 7 - Overall compliance with microbiological indicators for drinking water

This metric has not been updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.[2] of 2020.

Figure 10

Percentage of Samples complying with the E.coli Standard

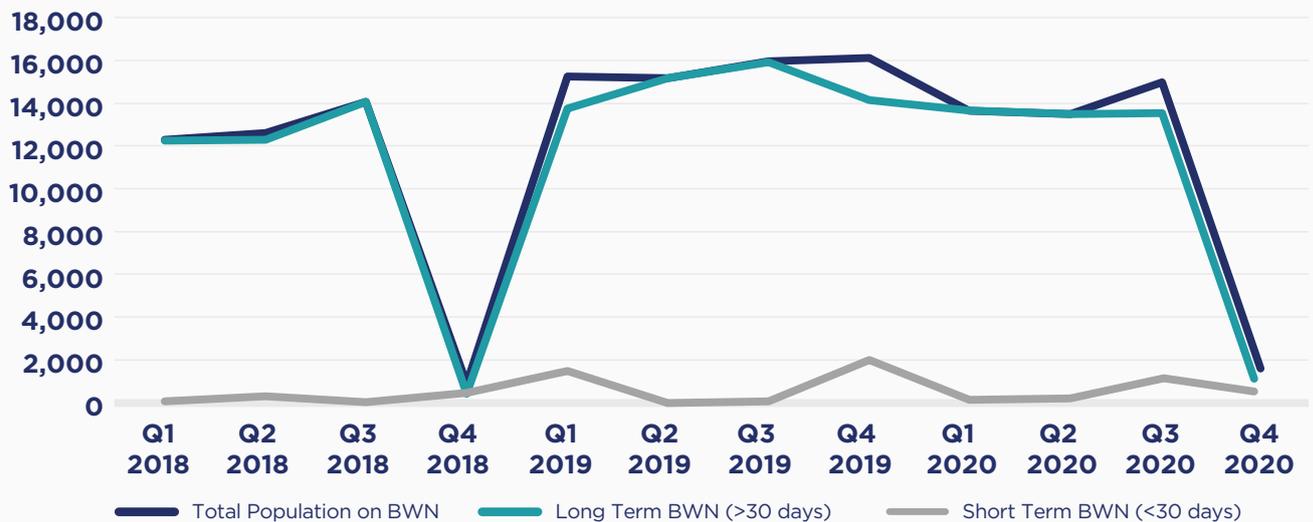


2.2.2 Performance Indicator 8 - Boil Water Notices

This Performance Metric is based on information valid up to December 2020 including Quarter 4 figures.

Figure 11

Boil water notices at the end of each quarter⁶



At the end of Quarter 4 2020, 1,335 people were on Boil Water Notices which is a significant decrease on the population on Boil Water Notices at the end of the previous quarter (14,951 people). The reduction in the number of people on a Boil Water Notice at the end of Quarter 4 2020 is mainly due to the lifting of a long term Boil Water Notice on the Lough Talt Public Water Supply in December 2020. The Lough Talt supply serves 12,566 consumers and over the last 2 years, Irish Water has upgraded the plant to provide a safe and secure water supply for those consumers and addressed the risks from *Cryptosporidium* in the water supply, which was the reason why the Boil Water Notice was put in place in January 2019. The WAB welcomes the reduction in the number of people on a Boil Water Notice at the end of Quarter 4 2020.

During Quarter 4, 2020 there were also a number of short term Boil Water Notices in place, which affected 39,256 people across six public water supplies including:

- ▶ Dunkerrin (1,213 consumers - put in place during Quarter 3 and lifted during Quarter 4 2020),
- ▶ Lanesboro (4,876 consumers),
- ▶ Kill/Ballylaneen (1,156 consumers),
- ▶ Sow Regional (9,383 consumers),
- ▶ Clonbullogue (868 consumers) and
- ▶ Wexford town (21,760 consumers).

⁶ **Source:** Environmental Protection Agency

For each of these short term Boil Water Notices, Irish Water was able to quickly address the underlying issues which led to the Boil Water Notices being put in place. The WAB will continue to monitor the number of people affected by short term Boil Water Notices, particularly for supplies where notices need to be put in place on more than one occasion.

At the end of Quarter 4 2020, only one of the 14 Boil Water Notices (serving 1,335 people) was in place for less than 30 days. The vast majority of Boil Water Notices in place at the end of Quarter 4 2020 were long term Boil Water Notices. This means that the solution to fix the problem with the plant could not be addressed quickly and requires significant investment by Irish Water. The WAB notes with continuing concern the trends for long term Boil Water Notices highlighted by the Environmental Protection Agency and will continue to monitor Irish Water’s progress in ensuring that Boil Water Notices remain in place for as short a period of time as possible.

When Irish Water took charge of water supplies in 2014 it set a target to eliminate all Boil Water Notices that were in place at that time. While this target was achieved, no specific future targets have been set.

2.2.3 Performance Indicator 9 - Compliance of Urban Waste Water Treatment (UWWT); Plants with Environmental Protection Agency discharge licences

This metric has not been updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.3 of 2020.

Figure 12

Percentage of Population served by compliant Urban Waste Water Treatment plants (by population equivalent)⁷



⁷ Source: Environmental Protection Agency

2.3 Responsiveness to the needs of Communities and Enterprise

This metric has not been updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.3 of 2020.

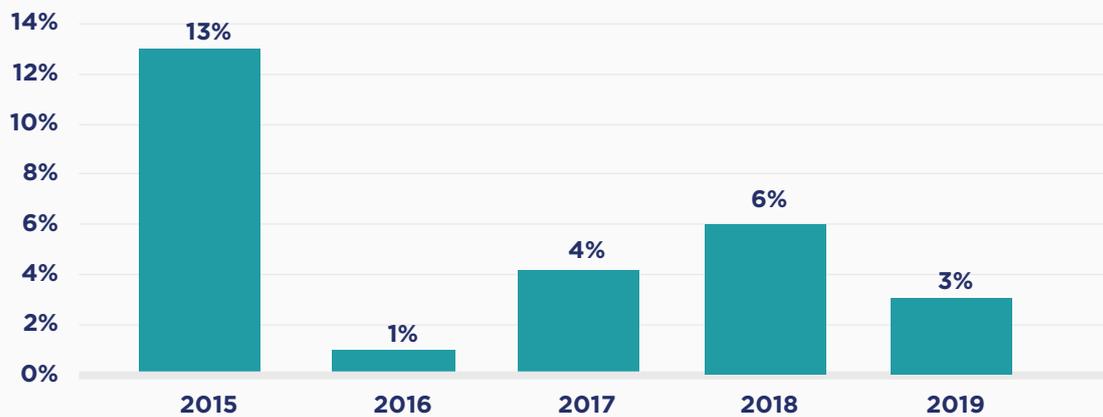
2.3.1 Performance Indicator 10 – Ease of Contact

In terms of the Ease of Contact performance indicator, the Commission for Regulation of Utilities has chosen four separate metrics:

The Call Abandonment Rate metric is the percentage of calls that are abandoned while a caller is waiting in the queue to speak to an agent (having been directed through the Interactive Voice Recognition system).

Figure 13

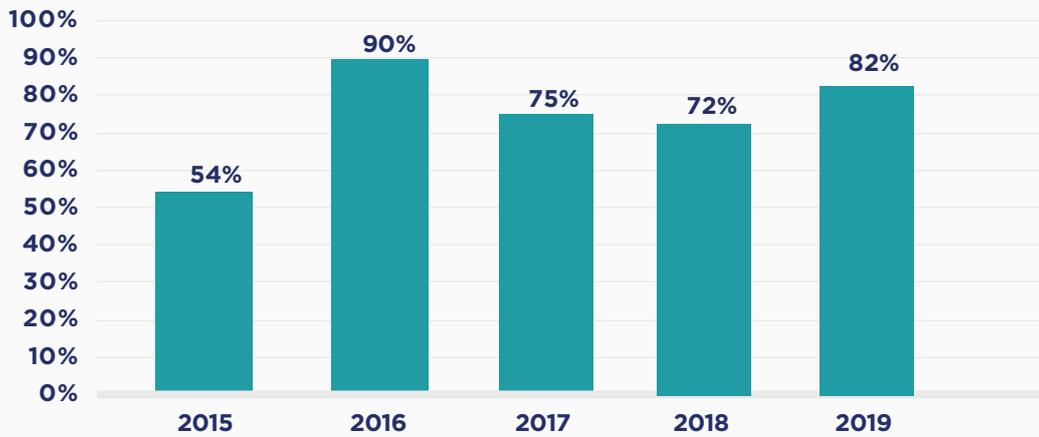
Call Abandonment Rate



The Speed of telephone response by Irish Water is measured by two separate telephone service factors. The first metric, Telephone Service Factor 1 (TSF 1) measures the percentage of calls that enter a queue to speak to an agent which are answered within 20 seconds.

Figure 14

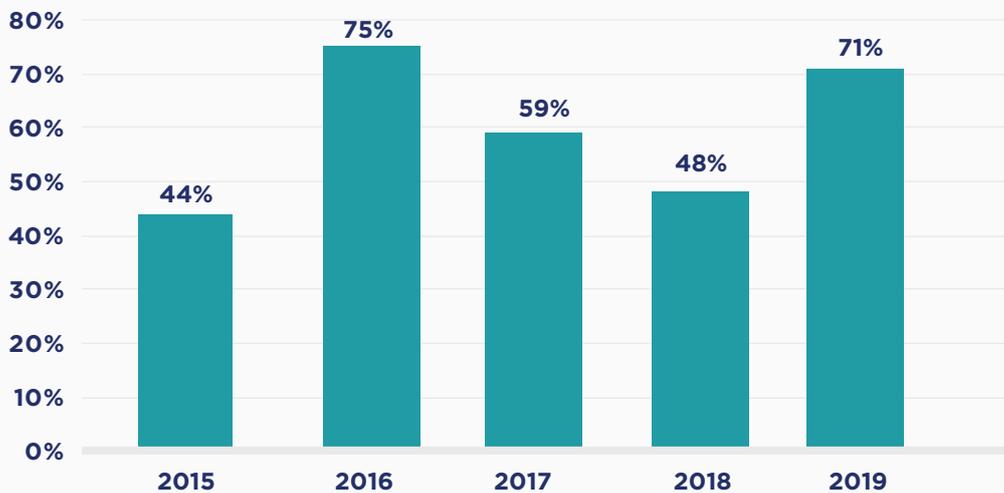
Telephone Service Factor 1: Calls answered by Agent within 20 seconds



The second metric, Telephone Service Factor 2 (TSF 2), measures the number of calls that are dealt with through the Interactive Voice Recognition system as well as the number of calls when placed in a queue to speak to an agent (after going through the Interactive Voice Recognition system) answered by an agent within 20 seconds.

Figure 15

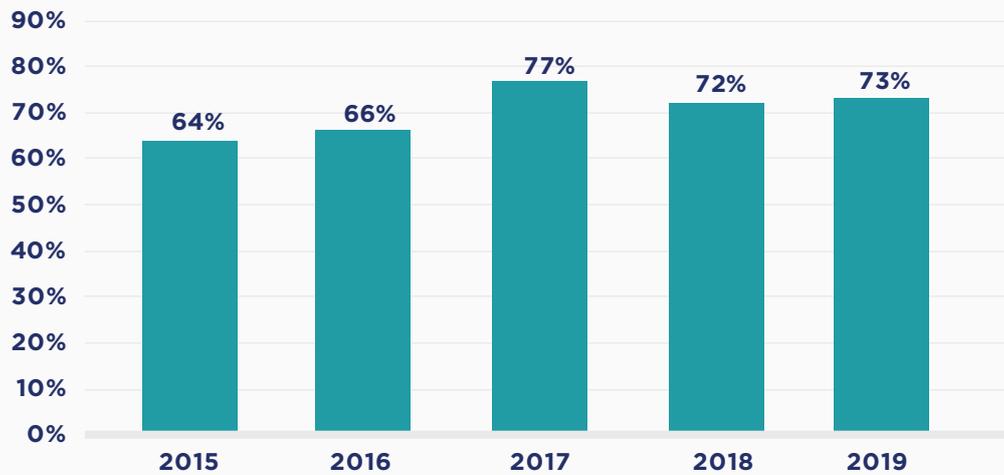
Telephone Service Factor 2: Calls dealt with through Interactive Voice Recognition & calls answered by Agent within 20 seconds



The Customer Satisfaction metric measures customer satisfaction levels of their experience dealing with Irish Water through phone contact. A survey is conducted by an independent research company, where customers rate their satisfaction level on a ten-point scale.

Figure 16

Customer Satisfaction Scores



2.3.2 Performance Indicator 11 - Irish Water Customer Complaints management

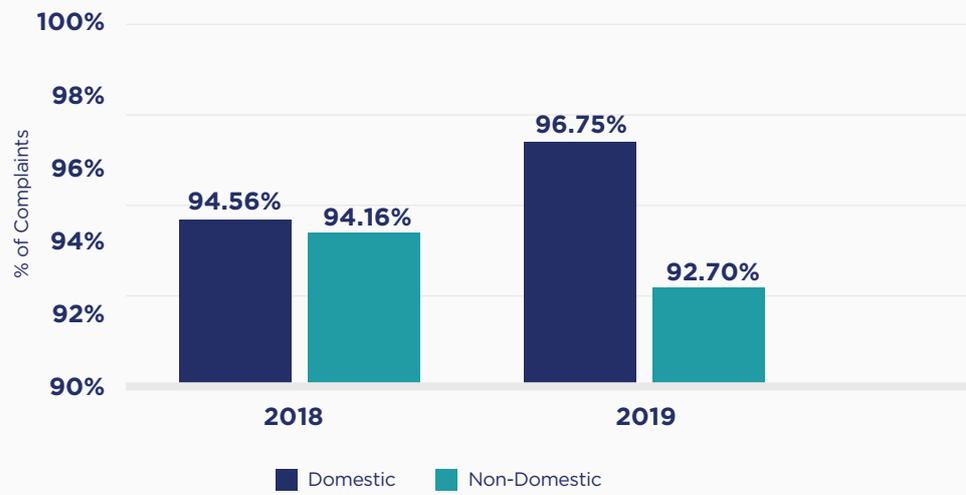
This metric has not been updated in this report. This metric was last updated in the Water Advisory Body Quarterly Report No.3 of 2020.

Figure 17Response to Complaints within 5 working days⁸

⁸ Note that for complaints responded to within five days, data in 2018 is provided by Irish Water from Quarter 2 - Quarter 4 only.

Figure 18

Response to Complaints (with Final Decision) within 2 months



Part 3

Key Events

Commission for Regulation of Utilities - Irish Water Revenue Control 3 - Final Decision

In its Quarterly Report No.3 of 2020, the WAB noted that it will use the Commission for Regulation of Utilities' Irish Water Revenue Control 3 Decision to inform the types of indicators it might examine in the area of cost reduction and efficiency improvements.

In August 2020, the Commission for Regulation of Utilities reached its final decision on Irish Water's Revenue Control 3, including its Capital Expenditure Allowance for the period 2020-2024.

In that decision, the Commission for Regulation of Utilities provided Irish Water with a Capital Expenditure allowance of €4.9 billion and an Operating Expenditure allowance of €3.5 billion. For this expenditure, Irish Water is committed to providing a specific set of outputs and outcomes. The Commission for Regulation of Utilities calls this the "regulatory contract"; what Irish Water will deliver for the expenditure allowances made to it. The tables below list the outputs and outcomes that Irish Water is committed to delivering. Outcomes are the high-level objectives that matter most to consumers of water and waste water services, are generally continuous and long-term and do not necessarily fit into one price control period.

Irish Water's Outcomes for the RC3 Period		
	Unit	Change over RC3 Period
Outcomes		
Water Supply - Quality of Service		
Population on a boil water notice for more than 200 days	No.	5
Number of Water Treatment Plants with Ortho-phosphate Dosing	No.	27
Number of Water Supplies removed from the EPA's RAL	No.	48
Reduction in the number of properties with risk of Microbiological Non Compliance	No.	563,093
Reduction in the Number of properties with risk of THM Non Compliance	No.	133,465
Number of Lead Services replaced	No.	13,231
Security of Water Supply		
Leakage Reduction (ML/day)	ML/day	176
Additional Water Supply Capacity (ML/day) (i.e. additional capacity added during RC3)	ML/day	46
Environmental Performance		
Number of agglomerations removed from EPA's Priority Urban Area Action List	No.	75
Wastewater treatment works compliant with Urban Waste Water Treatment Directive (Population Equivalent)	PE	314,656
Number of Wastewater Treatment Plants overloaded serving >2000 population	No.	1
Number of Wastewater Treatment Plants overloaded serving < 2000 population	No.	1
Number of Agglomerations in the ECJ Urban Waste Water Treatment Directives	No.	13
Additional Wastewater Treatment Capacity (Population Equivalent)	PE	770,751
Number of Wastewater Treatment Plants compliant - EPA discharge increase ELVs	No.	8

Outputs are the observable and measurable activities, actions or achievements that Irish Water must deliver to bring about the outcomes that customers and broader society value. Outputs are more easily measured and monitored than outcomes and are more likely to be within Irish Water's control. In general, they do not explicitly reflect things that customers and society value in themselves, but they contribute to achieving those things.

Irish Water's Outputs - RC3			
Outputs	Unit	Planned Delivery	Outcome
Number of new Treatment Plants (water and wastewater)	No.	29	Environmental Performance Water Supply - Quality of Service - Security of Water Supply
Number of Existing Treatment Plants Upgraded	No.	89	Environmental Performance Water Supply - Quality of Service - Security of Water Supply
Water Treatment Plant Capacity (Total ML/day) (i.e. total capacity from new/existing plants which have added capacity during RC3)	ML/day	625	Water Supply - Quality of Service - Security of Water Supply
Wastewater Treatment Plant Capacity (Total Population equivalent)	PE	3,070,158	Environmental Performance
Number of Reservoirs Upgraded	No.	132	Water Supply - Quality of Service - Security of Water Supply
New Watermains (km)	km	496	Water Supply - Quality of Service - Security of Water Supply
Rehabilitated or lined mains (km)	km	511	Water Supply - Quality of Service - Security of Water Supply
Meters installed	No.	50,815	Water Supply - Quality of Service - Security of Water Supply
New Sewers (km)	km	241	Environmental Performance - Sewerage Service
Rehabilitated Sewer (km)	km	342	Environmental Performance - Sewerage Service

Incentives & Monitoring

The Commission for Regulation of Utilities' Revenue Control 3 Decision also stated that the Commission for Regulation of Utilities would provide financial (and reputational) incentives for Irish Water. Incentives are a normal part of economic regulatory frameworks and are put in place to encourage utility companies to achieve certain targets. In the previous revenue control period (Revenue Control 2), the Commission for Regulation of Utilities introduced a number of incentives for Irish Water including, an incentive to reduce its customer bad debt levels, an incentive to ensure Irish Water provides bills to all non-domestic customers using its services, and, an incentive to correct any errors on its billing of non-domestic customers.

For the Revenue Control 3 period, the Commission for Regulation of Utilities has introduced a further new incentive to encourage Irish Water to achieve its leakage reduction target of 176 megalitres per day by the end of Revenue Control 3. The Commission for Regulation of Utilities proposes that if Irish Water achieves its target, it will be provided additional funding in the next price control period, but if doesn't, it will face a financial penalty. The Commission for Regulation of Utilities' consultation closed in February 2021 and it plans to reach a decision on this in Quarter 2 2021.

There also has been a number of reputational incentives in place. Reputational incentives involve the review and monitoring of Irish Water's performance against its commitments and targets in terms of delivery of infrastructure but also how it manages customer service levels. The Commission for Regulation of Utilities publishes reports on its monitoring of Irish Water at various times throughout the year.

Scottish Water International – Irish Water Investment and Delivery Review

As part of its final revenue control decision, the Commission for Regulation of Utilities required Irish Water to have an independent external review undertaken on the internal processes and procedures it has when developing its Capital Investment Plans. The Commission for Regulation of Utilities did this because it noted that Irish Water had changed its Capital Investment Plans significantly over the course of the previous number of years which made it difficult to track and trace delivery. As a result, the Commission for Regulation of Utilities wanted to ensure that Irish Water was working towards stabilising its Capital Investment Plans. A stable plan leads to more cost and time efficient build out of any utility's infrastructure.

Scottish Water International were engaged to undertake this review and reported its findings to the Commission for Regulation of Utilities. The Commission for Regulation of Utilities published the findings with its Revenue Control 3 decision (in August 2020). In essence Scottish Water International made a number of recommendations which the Commission for Regulation of Utilities now requires Irish Water to implement. Irish Water is required to provide the Commission for Regulation of Utilities with an implementation plan and progress updates over the course of the next two years to the end of 2022, when all appropriate Scottish Water International recommendations are to be implemented by Irish Water.

A significant recommendation made by Scottish Water International, which the Commission for Regulation of Utilities seeks to implement immediately is the introduction of a Change Control Process for Irish Water's Capital Investment Plan. This means Irish Water would need to make a submission to the Commission for Regulation of Utilities if/when it wishes to change the outputs and outcomes it is targeted to achieve in Revenue Control 3. The Commission for Regulation of Utilities will then review and consider any changes proposed by Irish Water. The Commission for Regulation of Utilities is now progressing the implementation of that Change Control Process and any submissions Irish Water plans to make. It intends to publish updates on it during 2021/22.

Major Projects

The Revenue Control 3 Decision also notes progress and plans for some of the major projects currently underway by Irish Water. These include:

Vartry Regional Water Supply Scheme

Aim: To provide a new treatment plant, upgrades to the Vartry reservoir and replacement of the Vartry tunnel to help to ensure a safe and sustainable water supply in north Wicklow and South Dublin.

Update: Irish Water is forecasting that this project is on track to be completed by 2021.

Leixlip Water Treatment Plant

Aim: To install and commission UV disinfection at the “old” plant at Leixlip to address deficiencies in treatment to ensure a safe water supply for Kildare, Dublin and Meath.

Update: Irish Water is forecasting that this installation will be completed by end Q1 2021, with commissioning to be completed by end Q2 2021.

WAB Commentary

The WAB welcomes the publication of the final decision on the Revenue Control 3 (2020 – 2024) by the Commission for Regulation of Utilities.

We note that the Commission has set out what it terms the “Regulatory Contract” between itself and the Commission for Regulation of Utilities, in the public interest. Of key concern to the WAB now is:

- d) that Irish Water delivers the outputs and outcomes that have been determined;
- e) that these are delivered within the agreed operating and capital expenditure allowances – noting that both these allowances provide for ongoing efficiency on the part of Irish Water; and
- f) that Irish Water implements the recommendations from the Scottish Water International review to the satisfaction of the Commission.

The WAB now intends to:

- ▶ reflect and comment on the updates from the Commission on the implementation by Irish Water of the Scottish Water International recommendations, as they are published;
- ▶ identify a relevant set of Key Performance Indicators under the heading of “cost reduction and efficiency improvement” which we consider can best demonstrate whether Irish Water is delivering on its overall commitments; This work will draw on the work that the Commission is currently undertaking to review the Irish Water Performance Assessment Framework. This review will take account of the outputs and outcomes established under RC3.

The WAB notes that the Commission for Regulation of Utilities has set what it considers to be challenging but achievable targets for Irish Water. The WAB now considers it important for Irish Water to demonstrate its capability to deliver.

Part 4

WAB's Commentary on Key Indications and Conclusions

This Report includes eleven key performance indicators by which the performance of Irish Water can be monitored.

In Table 1 we summarise the WAB's comments on each metric which has been updated in this report.

Table 1

Summary of the WAB's comments on each metric

Number	Indicator	WAB Commentary
2.	First Fix Scheme	<p>In 2015 Irish Water introduced the First Fix Scheme to tackle leakage on domestic customers' properties. Reducing drinking water loss through the First Fix Scheme helps to conserve water and can help to reduce the amount of money Irish Water spends on treating and supplying water that is ultimately leaked and not used by customers.</p> <p>Over Quarters 3 and 4 of 2019, a total of 1,693 leak repairs were completed. 1,392 of these repairs were external to the customer property and were carried out by Irish Water, and the remaining 301 leaks were internal to the customer property and repaired by the customer. This performance indicator has been updated with data for Quarter 3 and Quarter 4 2019. It shows a further decline in the number of leak repairs completed since Quarter 2 2019 and demonstrates a continued and disappointing drop-off in the number of leak repairs completed under the scheme since mid-2016. This coincides with the suspension and eventual abolition of domestic water charges.</p> <p>The Household Water Conservation (Excess Use Charges) Policy is expected to be introduced in 2021, with first bills expected to issue in late 2022 or 2023. The WAB anticipates that this will encourage customers to avail of the First Fix Free Scheme and that higher numbers of leak repairs will be achieved in the future.</p>

Number	Indicator	WAB Commentary
3.	Remedial Action List (Water)	<p>The figures had been showing show a general downward trend in both the number of drinking water supplies on the list and the population that these supplies serve; however, the addition of the Leixlip supply to the Quarter 3 2019 Remedial Action List changed this.</p> <p>The number of supplies on the Remedial Action List had a net decrease of five at the end of Quarter 4 2020, with the population served by these supplies standing at 1,004,997; down from 1,096,067 in Quarter 3 2020.</p> <p>At the end of Quarter 4 2020 the Remedial Action List contained 46 water supplies, which is a net reduction of seven supplies during 2020. The progress made during 2020 represents a net reduction of 146,475 consumers served by supplies on the Remedial Action List.</p> <p>The WAB also notes the Environmental Protection Agencies' concern that there are nine supplies on the Remedial Action List at the end of Quarter 4 2020 for which Irish Water has not submitted a completion date. Future WAB reports will monitor the progress of Irish Water in identifying dates by which supplies on the Remedial Action List will be addressed and in meeting the targets they have set to remediate those water supplies through the quarterly updates of the Remedial Action List. The WAB will also monitor the number of new drinking water supplies that are put on to the list in any quarter.</p>
5.	Lead service connections replaced	<p>The WAB notes that Irish Water exceeded its target of 1,100 for 2020 with regard to replacement of lead connections by replacing 3,025 lead connections. Irish Water's target for the entire 5 year term of Revenue Control period 3 (2020-2024) is to replace 13,231 lead connection. The WAB also notes the concerns expressed by the Environmental Protection Agency in its report "Drinking Water Quality in Public Supplies 2019"⁹ where it highlighted that by the end of 2019, 17% of public side lead connections had been replaced. Irish Water's target to replace an additional 7% (13,231) of remaining public side lead connections up to the end of 2024 means it is highly unlikely that Irish Water will be able meet the targets it set in its' "Lead in Drinking Water Mitigation Plan"¹⁰ to replace all lead services by 2026.</p> <p>Under normal circumstances the WAB expects to see the continued replacement of lead services until the completion date of 2026.</p>

9 http://www.epa.ie/pubs/reports/water/drinking/DW%20Quality%20in%20Public%20Supplies%202019_web.pdf

10 <https://www.water.ie/docs/Lead-in-Drinking-Water-Mitigation-Plan.pdf>

Number	Indicator	WAB Commentary
8.	Boil Water Notices	<p>At the end of Quarter 4 2020, 1,335 people were on Boil Water Notices which is a significant decrease on the population on Boil Water Notices at the end of the previous quarter (14,951 people). The WAB welcomes this decrease.</p> <p>The reduction in the number of people on a Boil Water Notice at the end of Quarter 4 2020 is mainly due to the lifting of a long term Boil Water Notice on the Lough Talt Public Water Supply in December 2020.</p> <p>At the end of Quarter 4 2020, only one of the 14 Boil Water Notices (serving 1,335 people) was in place for less than 30 days. The WAB notes with continuing concern the trends for long term Boil Water Notices highlighted by the Environmental Protection Agency and will continue to monitor Irish Water's progress in ensuring that Boil Water Notices remain in place for as short a period of time as possible.</p>

In this report four out of 11 metrics have been updated since WAB published its last report (WAB Quarterly Report No.3 of 2020).

It continues to be the WAB's view that the management and improvement of the drinking and waste water infrastructure and network requires significant and sustained action, across a range of areas.

It remains our view that increasing public confidence in Irish Water is dependent on visible action in areas such as waste water treatment, water quality, and leakage.

Glossary of Terms

Agglomeration - an agglomeration is an urban settlement (village, town or city area) which is connected through a pipe network to a wastewater treatment plant.

Chlorination - Water chlorination is the process of adding chlorine or chlorine compounds such as sodium hypochlorite to water. In particular, chlorination is used to prevent the spread of waterborne diseases.

Cryptosporidium - A disease-causing protozoon widely found in surface water sources.

E.Coli - Coliforms, specifically Escherichia coli (E. coli), are the universal indicator microorganisms of faecal contamination of water. These bacteria, which are of definite faecal origin (human and animal), are excreted in vast numbers and their presence in a water supply is proof that faecal contamination has occurred and is a definite indication that pathogens may be present.

Pathogen - Microorganisms that can cause disease in humans, other organisms or animals and plants. They may be bacteria, viruses, or protozoa and are found in sewage, in runoff from animals, farms or rural areas populated with domestic and/or wild animals, and in water.

Population Equivalent - in waste-water treatment the population equivalent is a reference that describes the specific load of a wastewater treatment plant.

Remuneration - Reward for employment in the form of pay, salary, or wage, including allowances, benefits (such as company car, medical plan, pension plan), bonuses, cash incentives, and monetary value of the noncash incentives.

Trihalomethanes - Trihalomethanes are a group of four chemicals formed, along with other disinfection by-products, when chlorine or other disinfectants used to control microbial contaminants in drinking water react with naturally occurring organic and inorganic matter in water.

Trunk Mains - Trunk water supply pipelines deliver bulk water from one part of the system to another, often aided by pumping. As such, trunk mains are larger in diameter than reticulation mains, are not networked and have fluctuating pressures.

Turbidity - Turbidity is a measure of the degree to which the water loses its transparency due to the presence of suspended particulates. The more total suspended solids in the water, the murkier it seems and the higher the turbidity. Turbidity is considered as a good measure of the quality of water.

