Understanding our performance

Two important measures that Ofwat uses to assess our performance are performance commitments and price control deliverables.

Performance commitments set out the service levels we promise to deliver for customers, communities and the environment. They include things like reducing leaks, improving water quality and responding quickly to customer issues. Each year, Ofwat reviews how well we have met these commitments, each of which supports one of four high-level overall 'outcomes'.

Price control deliverables are promises that water companies make to deliver specific improvements to their services, such as:

- cleaner rivers;
- better water quality;
- a more reliable supply;
- a network that is better able to cope with climate change; and
- a smaller carbon footprint (the amount of greenhouse gases added to the environment) as the UK aims for net zero (no emissions).

These are not just ambitions – they are improvements that are funded through your bills and we're held to account for delivering.

Together, these measures provide a clear view of how well we are performing and make sure customers receive the service and improvements they are paying for.

Performance commitments

During AMP8, we are delivering 25 performance commitments across four outcomes. This is a reduction from AMP7 (the period from 2020 to 2025) as Ofwat has reduced the number of performance commitments as part of a shift towards a more focused regulatory framework that is driven by results. To help customers and regulators compare the performance of different water companies, many of these commitments are common across the water industry and several are a continuation of the commitments from AMP7.

Performance commitments are designed to make sure all water companies:

- are working to the same high standards;
- are measured in the same way;
- are held to account for their performance; and
- provide customers with a consistent level of service.

We have two performance commitments – Wonderful Windermere and embodied greenhouse gases – that apply only to us, as they focus on issues that matter most in our region. These reflect local priorities and were shaped through customer and community engagement.

The following report provides an overview of how well we performed against our performance commitments in 2025/26.

Price control deliverables

As part of our 'BIG North West upgrade', we will also be investing in improving our assets (such as pipes, sewers and treatment works) to upgrade the region's water and wastewater system. Most of this investment is covered by Ofwat's price control deliverables. The investment will lead to improvements such as cleaner rivers, better water quality, more reliable supplies and a reduced carbon footprint.

Price control deliverables contain specific activities and outputs that companies must complete as part of the regulatory settlement that says how much money water companies are allowed to collect from customers' bills.

Ofwat monitors the delivery of these investments and price control deliverables make sure that we are held to account for the investment in improvements that we must deliver. If we fail to deliver the necessary investment, customers' bills will be reduced.

In each year of AMP8 we will be publishing a separate customer summary about our progress in delivering this investment.

Performance commitment summary

The table below shows how many performance commitments are grouped within four outcomes.

Outcome description	Number of performance commitments
A. Customers receiving excellent service every day	8
B. Environmental outcomes	11
C. Reducing demand	3
D. Asset health	3
Total	**25**

In this document we tell you how many of the 25 performance commitments we met or failed to meet in year one of AMP8. Like all water companies, if we beat certain targets we can earn financial incentives called 'outperformance payments'. But for many targets, if we fail to meet them we receive a financial penalty called an 'underperformance payment'. These incentives and penalties are then reflected in bills – we can issue higher bills when our performance for customers is strong, but must issue reduced bills if our performance has been poor and we have missed our targets.

Appendix one contains more details about how outperformance payments and financial penalties work, and appendix two shows how they affect customers' bills.