

Asset Management Policy

March 2022

Introduction

At South West Water, Asset Management provides the basis for placing customers and stakeholders at the heart of our investment decisions to ensure the effective delivery of our 2050 Vision through short-term operational and long-term strategic plans.

Our asset management approach covers all physical assets.

Our roles and responsibilities, culture, asset data and systems are integrated and aligned to support the right decisions and actions at each stage of the lifecycle of our assets: from planning, design, construction, operation, maintenance to decommissioning.



Purpose

This Asset Management Policy defines the key principles and requirements which we will apply to managing our assets. Through this we will make sure that assets are managed in a way that contributes towards continually improving water and wastewater services by delivering the outcomes our customers expect – safely, sustainably, and efficiently.



This policy plays a key role in creating an overall ‘Line of Sight’ between our asset interventions and the South West Water Outcomes and Board Pledges.

Specifically, it outlines the Asset Management lifecycle principles, and the guidelines and practices, that govern decisions which ensure that South West Water provides a high-quality service to its customers in the short and long term.

Scope

This Asset Management Policy applies to all assets owned by South West Water and all aspects of each asset, including planning, design, construction, operation, maintenance and decommissioning as depicted in Figure 1.

This policy applies to all employees, contractors and consultants who work with South West Water.

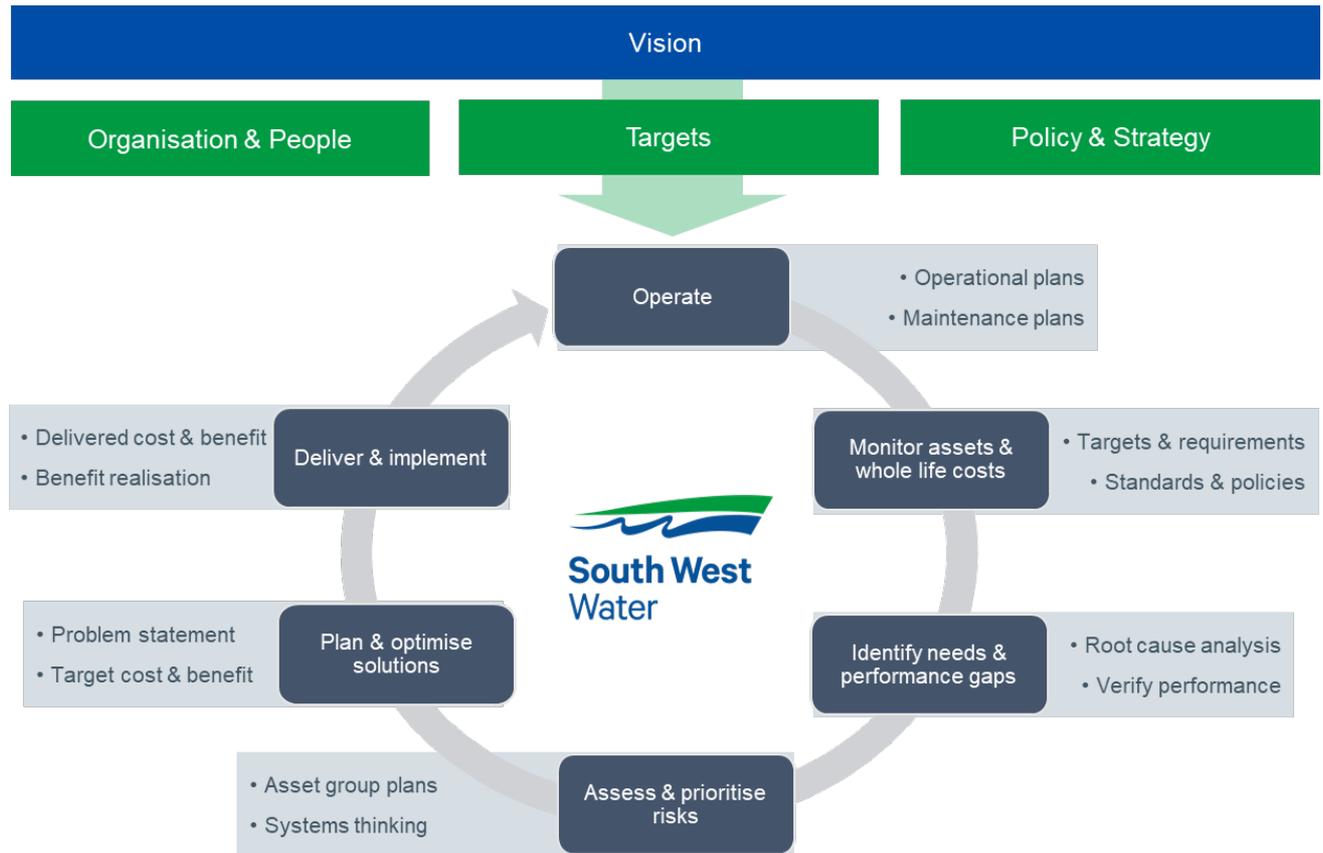


Figure 1 South West Water asset lifecycle approach



Asset Management Policy Statement

We will continually improve our asset management capabilities and activities to ensure that we comply with all financial, technical, legislative and regulatory requirements; ensure value for money for customers and stakeholders; and deliver against our organisational outcomes and board pledges, to which we have committed:

- Clean, safe and reliable supply of drinking water
- Reliable wastewater services
- Available and sufficient resources
- Resilience of our services during extreme events
- Responsive to customers
- Protecting the environment
- Benefiting the community, and;
- Fair charging and affordable bills for all.

Application of policy

South West Water will set objectives and develop and maintain plans for the whole lifecycle of assets.

To ensure that these are appropriate planning activities will include:

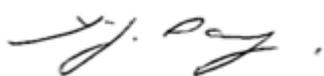
1. A strategy that encompasses all aspects of an asset lifecycle approach to the objective setting, planning, design, construction, operation and decommissioning of our physical asset base. It also covers the collection and management of our performance data, data models and records, as well as being closely aligned with our existing Health and Safety Policy.
2. Implementing processes to ensure investments address needs efficiently and effectively and address operational budget implications of capital investments.
3. Exploring efficiency and innovation opportunities where appropriate, including new technologies.
4. Analysing investment plans and associated funding requirements and putting in place mechanisms to ensure long-term financial sustainability.
5. Evaluating relevant asset investment decisions based on consideration of the costs associated with managing an asset through its entire lifecycle.
6. Business plans and investment prioritisations that understand and take due account of our customers' views and preferences.
7. A periodic self-assessment of the asset management processes and procedures which make up our asset management system, to inform continuous improvement in our application of the Asset Management Strategy.

Ownership

Overall accountability for the Asset Management Policy lies with the South West Water Board and its Executive Management Team and is discharged through the Asset Management Director as a company-wide integrated philosophy.

Communication

Communication of this Asset Management Policy to internal and external employees, contractors, consultants and stakeholders is the responsibility of the Asset Management Director.



Signed:

Date: March 2022

Susan Davy, Chief Executive Officer



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