

Business Interrupted: The Real Cost of Supply Interruptions

Understanding the Risk

Water scarcity and supply disruptions pose an escalating threat to UK businesses, underscoring the necessity for robust water contingency planning.

A reliable water supply is essential to business continuity. Whether it's for cooling systems, sanitation, production, welfare or hygiene, many operations simply cannot run without it. Yet for businesses uninterrupted access to water is no longer a given — and failing to plan could come at a steep cost.

Despite growing risk factors, the vast majority of businesses remain underprepared. This paper explores the causes and consequences of water supply failures and outlines how contingency planning can protect operations, reduce costs, and build resilience.

Research shows that only a third of UK businesses have emergency water supply plans in place, leaving most organisations exposed.

A Perfect Storm: What's Driving the Risk

Across the UK, multiple factors are contributing to the increasing instability of water supply systems:



Rising Supply Interruptions -528 million litres per day lost in 2023–2024 due to UK water outages which was an 8% increase from the year before (*gov.uk*).



Growing Water Stress -Forecasts suggest that 7 out of 17 regions in England will face severe water stress by 2030, rising to 12 by 2040 (*kingfisher.com*).



Climate Change Impact -The UK is experiencing more frequent and extreme weather events that damage water infrastructure (*theguardian.com*).

The High Cost of Inaction

Water supply interruptions can severely impact operations, revenue, compliance, and reputation:





Operational Downtime

• Water supply interruptions can have a significant financial impact. Businesses can lose between £2,000 and £50,000 per hour (depending on the industry) during a water outage. For sectors like manufacturing, construction, and data centres, this figure can be much higher.

Emergency Repairs & Response

• There are emergency costs to fix the issue, including: hiring emergency crews or third-party services, transporting and delivering water supplies to maintain operations, infrastructure repairs if the supply was disrupted by pipe bursts or other technical failures

Regulatory Penalties

• Businesses may face **fines or penalties** for failing to meet their water supply obligations, which can cost anywhere from a few hundred pounds to thousands in penalties, depending on industry regulations. This could include breaching service level agreements (SLAs) or violating health and safety regulations, which can result in additional financial burden on businesses.

Reputational Damage & Customer Loss

• While harder to quantify, the loss of business reputation can result in a decline in customers and sales. The cost of losing a major client or damaging your reputation can be **thousands to millions** over time.

A study by SmartFlow Monitoring estimates that the cost of water risks can be five times higher than the cost of proactively mitigating them.

The Business Case for Action Industry Examples

Contingency planning is not just a safeguard - it's a smart investment. Here's how real-world examples illustrate the ROI:



Construction Sector

For a construction project, a day of downtime due to water supply disruption can cost £20,000 to £50,000 in lost productivity and delayed timelines. A contingency plan, including emergency water delivery and backup systems, would likely cost a fraction of that, from £10,000 per year.

Result: Lower cost, faster recovery, fewer project delays.



Manufacturing

For a manufacturing facility, downtime can **cost £100,000 to £200,000 per day**. Setting up a contingency plan for backup water supply and maintenance would be a significantly smaller cost, typically less than 10% of the loss from a major disruption.

Result: Maintained production, no SLA breaches, no fines.



Data Centres

Research from the Ponemon Institute suggests that **data centres can lose between £6,000 to £9,000 per minute** of downtime due to any disruption, including water supply interruptions, due to the need for cooling systems to operate.

Result: Maintained operational uptime, SLAs protected and hardware protected.



The Solution: Proactive Protection Against Supply Disruption

The cost of having a business continuity plan in place is typically much lower than the cost of responding to a water supply interruption. By investing in a proactive plan, businesses can avoid significant losses in downtime, regulatory penalties,

WaterTight, from Water Direct, is a proactive, fully managed water contingency planning solution designed for organisations that cannot afford disruption. It provides peace of mind through guaranteed response, expert planning, and unwavering service quality.

Each WaterTight package includes:

- Guaranteed Emergency Water Delivery in 4–24 Hours -Unlike traditional supply models, WaterTight ensures a dedicated response team and water tanker can be on-site in as little as four hours (subject to terms), with 24/7 support to protect your operations.
- Site-Specific Contingency Planning Benefit from end-toend support tailored to your needs — from initial site surveys and risk assessments to full-scale emergency response and ongoing welfare supply.
- Support with Compliance, Insurance, and Reputation Management - WaterTight strengthens your business continuity strategy, helping you meet regulatory requirements, manage insurance risks, and uphold your organisation's reputation during disruption.
- Assured Drinking Water Safety and Compliance All water is wholesome and potable, delivered in line with stringent water safety standards. We maintain strict hygiene protocols and provide full traceability from source to supply.

66

My advice to other Facilities Managers would be don't underestimate your water supply; take it seriously because it can become disrupted. Water is a vital resource that you can't physically run a business without, so find out what your site needs, put contingencies in place, and test them on a regular basis.

Jenny Quarterman, Facilities Manager, Lockheed Martin UK

Final Thought

Water resilience is fast becoming a business-critical priority. As supply interruptions rise, regulatory scrutiny intensifies, and operational risks escalate, contingency planning is no longer optional — it's essential. The cost of inaction is high — but preventable.

By investing in a robust business continuity plan for water today, businesses can safeguard operations, protect their reputation, and secure their long-term future. With Water Direct, you have the assurance that, whatever the disruption, your business stays operational, compliant, and customer-focused.



Always Ready. Always Reliable.

At Water Direct, we understand that water is more than just a utility — it's a critical enabler of continuity, compliance, and resilience. Whether you're planning ahead or responding to the unexpected, our nationwide team is here to support you with trusted solutions, industry-leading expertise, and a commitment to quality that never wavers.

From emergency supply and contingency planning to specialist technical services and water quality assurance — we're the UK's leading partner in alternative water provision.

Contact us today to get a contingency plan in place.

Benefit from:

- Simple Onboarding Process consultation, site assessment, and tailored solutions.
- Flexible Service Contracts pay-as-you-go or annual assurance plans.

Contact Details:

- 🖵 www.water-direct.co.uk
- *6* 0345 345 1725 *€*
- 🖂 enquiries@water-direct.co.uk