

# MINUTES OF 23<sup>rd</sup> MEETING OF THE WESSEX WATER CUSTOMER CHALLENGE GROUP

## Video conference call Tuesday 9<sup>th</sup> March 2021

### Present

Dan Rogerson – Chair (DR)	Wessex Water (WW) observers:
Jeremy Hawkins – Independent report writer (JH)	Andy Pymmer (AP)
Michael Barnes – CCW (MB)	Sue Lindsay (SL)
Richard Cresswell – Catchment Panel Chair (RC)	Neil Wilson (NW)
Sarah Cardy – Citizens Advice (SC)	Matt Greenfield (MG)
Kevin Ward – Environment Agency (KW)	Paul Saynor (PS)
Ian Walker – Bath University (IW)	David Martin (DM)
Matt Vaughan-Wilson - Money Advice Trust (MVW)	Tim Gardam (TG)

### Apologies:

Martin Green – Age UK South Gloucestershire (MJG)  
Mike Short – CCW (MS)  
David Hawkes – Advice UK (DH)

### 1. In camera session

Notes are confidential and not published.

### 2. Introductions

DR welcomed everyone to the meeting and attendees introduced themselves.

DR particularly welcomed Tim Gardam. Tim has been a WW Non-Executive Director for 15 months. He described his background including recent consumer-oriented roles at the Nuffield Foundation and Which?. Tim considered the CCG's Annual Report last year provided a clear narrative on WW's performance. He believes it is important that organisations look outwards and be understandable and credible. He is looking ahead at the challenges facing WW and welcomes the establishment of its Environment and Public Value Committee, whose remit includes improved coherence between the environment and the consumer. He believes regulation will go through much change in this respect. More investment will also be needed to address vulnerability. DR thanked Tim for his thoughts.

Before the meeting WW had circulated a slide pack (document 'Wessex Water CCG combined presentations.pdf') containing information on:

Covid 19 update  
PC Definitions  
Update on support for customers in financial difficulty  
Customer engagement update

Complaint handling  
Drainage and Wastewater Management Plans

A further set of slides covering West Country Water Resources was presented at the meeting.

## 2. Minutes and actions from Meeting No.22

No points were raised on the minutes from Meeting 22 held on 4<sup>th</sup> November last year. The minutes were agreed, and DR will sign them on behalf of the attendees DR

All actions from previous meetings were noted as complete with the exception of WW's ongoing engagement with Catchment Panel.

## 3. WWCCG Terms of Reference

DR reported that the CCG's Terms of Reference have been updated to reflect the Group's new name but are based materially on the Partnership's former role. The CCG will adopt them for now and review again once Ofwat's position on CCGs becomes clearer in May this year.

## 4. Covid 19 update

NW gave an update on Covid 19. His presentation, which was also given to Ofwat the previous week, covered:

Overview of 2020-21 conditions  
Customer and retail performance  
Supply performance  
Waste performance

DR noted the dual impacts on PCC from both Covid and the hot weather in summer 2020. He asked if WW considers the shift to home working will be permanent. WW replied that it is expecting this to happen with certain businesses already publicly aiming for 50/50 home/office-based working. AP added that the outcomes approach to measuring PCC needs to be more holistic as a result.

KW noted that other companies are experiencing the same uplift in PCC. WW might see more tourists coming to its area as lockdown is lifted. He asked what the company is doing to address the changes in PCC, future demand and resilience. WW replied the EA's Water Resource Planning Guidelines now ask companies to take these factors into account. The company's operational teams are already planning for the summer demands.

RC asked if WW has seen a drop in non-household consumption alongside the rise in domestic PCC. AP replied that there has been a 23% drop in non-household consumption. Household consumption has risen less so there has been an overall net fall.

RC added that he supports the quest for an overall performance measure relating to water use. PCC is affected by human behaviour. DR agreed but considered that the industry would still want to know the figures at both in homes and in businesses. NW added that the current PCC measure is a three-year average.

RC noted the wording relating to bathing water performance on WW's slide was inaccurate. The Catchment Panel has reviewed performance and is happy with the amount of work that WW has carried out but that the work has been on different assets than those in the original plan. The wording on the associated performance statements has to be correct. MG confirmed that WW will be reflecting the exact words of the Catchment Panel in its annual report, even if they were slightly misquoted on these meeting slides. NW agreed and offered to retrospectively update the slides for consistency. NW

## 5. **PC Definitions**

MG presented proposed changes to four PR19 PC definitions which the company has discussed with Ofwat. These covered:

No of children/students engaged  
Customer leaks fixed within a day  
North Bristol Sewerage Scheme  
Bill reduction for customers on social tariffs

Changes can be made where there are errors in Ofwat's Final Determination or where a change is in customers' interest. WW is seeking documented support for the proposed changes from the CCG to demonstrate the customer interest inherent in them.

RC suggested that where Ofwat has got it wrong in the FD then WW should be discussing this with the regulator. MG replied that WW sent a letter to Ofwat a year ago regarding some of the changes and, following more recent discussions, Ofwat have accepted clear and unambiguous points of error have been made in some cases but said it would be helpful if WW obtained customer support for each of the changes through the CCG.

### **The number of children/students engaged**

Performance has been affected by the Covid pandemic and WW believes that the new methods of delivery offer an equal or better service offering and should continue long after the Covid pandemic. WW is proposing that its definition should be extended to include online delivery, attendance at educational fairs, and increased size of groups engaged.

[Post-meeting note: To ensure trust and confidence, WW suggests removal of the element relating to educational fairs to ensure there are no concerns around quality of delivery.]

TG said there are now significant opportunities for demonstrating how online content is delivered. It will be useful to WW to think further to make the case that

online materials can be added to the suite of educational resources.

MG

SC wondered how engaged people will be in larger classes. Active engagement will be needed rather than just an online broadcast. She also asked how WW measures engagement. WW replied that there has been much work going on including talking to schools to ensure pupils can be engaged. There will always a debate about whether people are engaging or not. WW obtains feedback with teachers but would check if similar feedback is gathered from pupils. AP said WW can get more information from its education team and provide this to the CCG.

DR asked if WW uses its interactive game on the website used at PR19. MG replied that games and other interactions are used and there is a large section on its website containing resources for various key learning stages.

DR wondered if educational fairs generate more fleeting contact and not the same level of engagement as at schools. There could be concern over the quality of engagement at fairs. WW said that fairs are not considered to be a substitute for school engagement. The company is always trying to show that it's doing the right thing. [See post-meeting note above reference removal of this element]

RC asked if WW has done considerably more work on online delivery than it would have done without the pandemic. Have the time and resources on education been the same and is this envisaged to continue? MG replied that the whole education team have continued to work throughout the period with a focus on online learning and this will continue into the future.

DR requested that the revised PC definition states that delivery will be 'primarily school based'. WSX agreed to include such wording.

MG

DR asked the CCG members if they are happy with the revised PC definition on this basis. The CCG members agreed that, subject to the inclusion of the additional words on school-based delivery, the revised definition is in line with the original intentions of the PC which the Group approved as being reflective of customers' preferences expressed through the research undertaken for PR19.

### **Customer leaks fixed within a day**

An error in the FD definition has been picked up by WW's auditors. The target is unachievable without the reintroduction of exclusions used at PR14 such as severity of leaks, significant road closures, inaccessible locations, land entry agreements required.

DR agreed that such exceptions make a huge difference to performance. However, he questioned whether their inclusion is in the best interests of customers given that the resulting £1.8m annual penalty incurred by WW would ultimately go back to customers. WW replied that if the definition doesn't change, it has no incentive to fix leaks or attempt to achieve the target. MB raised the same point as DR but agreed with WW's response. RC remarked that it doesn't sound good if the company would not do the work if the PC definition remained as it is. TG agreed with RC and said the company should be careful how it positions this. MG assured the group that WW is neither taking nor advocating that approach and confirmed that WW is still

doing leak detection and fixing work and that, if the exceptions were in place, it would be meeting its target.

TG asked where WW sits in relation to other companies on such PCs. MG replied that it doesn't know but believed that in PR14 WW were the only company to have this PC.

DR agreed that the exclusions reflect events outside the company's control. He asked CCG members if they would be happy for the exclusions to be referred to in the revision to the PC definition. The CCG members agreed that the revised definition is in line with the original intentions of the PC which the Group approved as being reflective of customers' preferences expressed through the research undertaken for PR19.

### **North Bristol Sewerage Scheme**

It was noted that the CCG has previously approved the proposed changes to this PC definition.

### **Bill reduction for customers on social tariffs**

WW reported it can't deliver the original level of bill reduction because the FD created a lower starting base.

DR recognised that the spirit of the measure is still the same, but that the PC values need to change. MB considered the proposed revisions to the PC look fine in principle. KW asked if customers would still see the same level of service. WW replied they would. The original affordability and vulnerability strategy is being delivered.

The CCG members agreed the proposed change to the PC as it aligns with the original intentions of the PC which the Group approved as being reflective of customers' preferences expressed through the research undertaken for PR19.

DR asked that company share its modelling details with the CCG. WW agreed to do this and confirmed that it will be doing the same with Ofwat. MG

## **6. Support for customers in financial difficulty**

SL presented information on:

- Help through the assist tariff
- Discount for low-income pensioners
- WW recovery Fund
- WW Communities Fund

This information had also been presented at the CCG A&V Sub-Group meeting the previous week.

## 7. **Customer engagement update**

SL presented information on:

General customer engagement updates  
Get Water Fit  
Engagement initiatives under development

Most of this information had been shared previously with the CCG's Engagement Sub-Group.

DR enquired about the tenders received for the tracker and whether agencies were offering different or new approaches. SL said that telephone trackers had been used up until now, but these are proving to be more and more challenging. WW want to move more activity online. Agencies are suggesting the use of mixed methodologies (50% online, 50% telephone) with some offering to simply report findings and others to interpret them as well.

TG remarked that ongoing research is fundamental to bring environmental and consumer issues together. It will be a challenge to find the right framing. Ofwat's intention to use national surveys for some elements of PR24 may ignore local needs variations. It will be important that the research done locally is robust. Some academic rigour and analysis would be very valuable. SL agreed and said the CCG has a key role in this.

## 8. **Ofwat/CCG complaint handling report**

SL presented an overview of the joint Ofwat/CCG complaint handling report and WW's initiatives to meet the recommendations from it. SL will share the resulting action plan with the CCG when it's submitted at the end March.

SL

MB noted that WW is one of the industry's best performers on complaint handling.

## 9. **West Country Water Resources**

PS presented information on:

The WCWR Group and its remit  
The EA National Framework for water resources  
WCWRG publications and website  
SRO investigations  
Planning Timeline

KW noted that it is encouraging to see companies working together on water resource planning.

JH asked about the associated stakeholder engagement and its link to WW's other engagement for PR24. SL replied that the water resource engagement is co-ordinated with the other WCWRG companies. The work is currently out to tender.

DR asked about the extent of discussions between the WCWRG and other Groups, particularly in the South East. SL said there is ongoing dialogue particularly on giving water back to the environment.

#### 10. **Drainage and wastewater management plan**

DM presented information on:

- DWMPs and their benefits DWMP
- Timeline and progress
- Planning objectives – Common (2025)
- Planning objectives – Bespoke
- Options development and appraisal (ODA)
- Stakeholder Engagement
- Reporting

KW thanked DM for his helpful presentation. EA is keen and supportive of the work and can see clear links between it and the current environmental PCs.

TG observed that there are many different stakeholders affected by drainage and wastewater management and there is a need for a holistic approach to engagement. The associated narrative needs to obtain customer interest particularly around catchments. The notion of the catchment outside the industry is zero. The catchment can be used as a currency to use in general conversation and build understanding about how things such as landscape, water resources, demand management etc fit together. There appears to be no real pressing awareness about the need for demand management.

AP replied that it sees different understanding of a catchment at the local level. There are differences of perception and changes over time between rural and urban consumers.

RC noted the interesting observation from TG. He sees limits to the understanding of catchments when most of investment is being directing at anything other than catchment boundaries. He would welcome further discussion with TG offline and suggested TG attends meeting of the Catchment Panel.

DR mentioned the need for real time information to inform the customer point of view, particularly on interactions in the environment and the outcomes. He used Surfers Against Sewage as an example. He asked if WW had longer term aspirations for this. DM replied that WW is looking to extend its 'Coast Watch' service to inland areas.

#### 11. **In camera session**

Notes are confidential and not published.

Signed as a true record of the meeting

A handwritten signature in black ink, consisting of several loops and a long, wavy tail.

Chair

Date 4<sup>th</sup> August 2021