

MINUTES OF 9th MEETING OF THE WESSEX WATER PARTNERSHIP

Meeting held at Wessex Water, Claverton Down, Bath
Tuesday 5 December 2017

Present	Dan Rogerson – Chair (DR)	Wessex Water observers:
	Jeremy Hawkins – Independent report writer (JH)	Sue Lindsay (SL)
	Michael Barnes – CCWater (MB)	Phil Wickens (PW)
	Jeremy Bailey - Environment Agency (JB)	Katherine Mining (KM)
	Richard Cresswell – Catchment Panel Chair (RC)	Andy Pymer (AP)
	Martin Green - Age UK South Gloucestershire (MG)	Neil Wilson (NW)
	David Hawkes – Advice UK (DHa)	Aimee Shaw (AS) [<i>mid-item 5</i>
	Matt Vaughan-Wilson - Money Advice Trust (MVW)	<i>onwards</i>]

Apologies:

Gillian Camm - Non-Executive Director Wessex
Water (GC)

Ian Walker – Bath University (IW)

David Heath - CCWater (DHe)

Sarah Cardy - Citizens Advice (SC)

Nicola Morris – Student Representative Bath
University (NM)

Key points and actions from the meeting

1. Welcome and private session

Private session, no minutes taken.

2. Debrief of private session with Wessex Water

The areas of focus were covered in agenda item 5. As usual JH will update the challenge diary to reflect discussions at the private session.

3. Minutes and actions from previous meeting

No changes to minutes. Minutes were signed by DR on behalf of the attendees.

The following updates to actions from the previous meeting were provided:

- “Chair to raise the issue of water quality failures due to customers’ taps and how manufacturers can sell non-compliant taps and fittings at the next CCG chair’s meeting. Chair to also liaise with Richard Hargrave at Wessex Water who sits on the WRAS committee.” – DR has spoken to Richard; industry opinion is that retailers should have more responsibility. Close and open new action – “DR to write to Thérèse DR

Coffey to raise this issue.”

- “WW to share their proposal to include graphical information on water use on customers’ bills with IW. Consider the possibility of including case studies.” – SL agreed to circulate the new designed bill. SL noted that in order to be ready for annual billing, rather than doing a full research process before the launch, we intend to use CCW and WWP to review the annual billing suite, and then will engage with the online panel after the launch. SL

Reviewing the above action provoked the following discussion:

- *When asked by DR, SL said that 50,000 customers use e-billing; AP added that this is c.5% of customers. DR asked if e-billing can include water-saving tips; SL said these will be part of the new portal. AP added that when the industry moves from SIM to C-mex, engagement such as via e-billing becomes even more important in building a relationship with customers.*
- “NW to ensure 2017 figures are provided for the number of beaches that passed EU standards as higher than sufficient.” – The WWP asked NW to provide figures for categories other than good and excellent for each year. NW
- “In the past we have produced a list of stakeholders, who we contacted asking for feedback on the information assurance plan. AP suggested we may need to refresh it, and DR said there might be a case for the WWP having sight of this list – MGr to progress.” – DR asked for Matt Greenfield to produce another iteration that includes *everyone* we see as a stakeholder; MGr to liaise with Dan Green to source his wider list – ensure the Catchment Panel is included, which RC noted had been omitted from the first iteration. Open additional action for DR to draft a letter for WW to send to stakeholders. MGr DR
- “MGr to update the Information Assurance Plan to refer to us striving to be in a higher category than ‘targeted’.” – Action closed. PW noted that we have retained our rating of ‘targeted’, and we are currently reviewing lessons learned to see how to improve in future. When asked by RC how significant the consequence was of not being promoted, PW said that it is not enormous, although Ofwat have said that companies need to be rated as self-assured on the information assurance plan to be eligible for enhanced plan status.
- “MGr to provide example bill changes for different household sizes (including families with children) and different quartiles of RV.” – These were provided, so action closed.

Reviewing the above action provoked the following discussion:

- *DR commented that he would have expected the sewerage bill to track the water bill; PW explained that this isn’t the case due to the higher standing charge for waste.*
- *When asked by DHa, PW explained that the clear distinction between metered and unmetered bills reflects the trend of lower-use households switching to meters. Therefore the average use of unmetered households is increasing.*
- *DR asked whether technical improvements may allow previously un-meterable properties to be metered. PW explained that if a household cannot be metered, it can be moved to an assessed*

charge, which is set as if the household was metered.

- *MG suggested that unmetered high RV households may often be occupied by elderly people who would be less likely to apply for a meter, and asked how we engage with this group. PW commented that older people tend to value the certainty of bill value; we have tried to address this issue with the metering cashback guarantee. Furthermore we periodically write to higher RV customers to provide information on metering, as a separate communication, not an insert. SL agreed to liaise with MG and other members to include this message in newsletters produced by organisations such as Age UK.* SL

- “MGr to provide the following information to the WWP:
 - What proportion of customers have contributed to the £9.6m over-recovery, but move out of the area so don’t receive the rebate?
 - Does this even out if a rebate is given every year?
 - Do we have data on the demographic of people affected?”DR queried our comment that this information doesn’t exist. PW agreed that Matt Greenfield would provide an estimate for proportion of MGr customers that move out of area.

No other actions discussed.

There were no declarations of interest to record.

4. **Catch up on sub-groups (membership, terms of reference, dates)**

Meetings have been set up for the Investment Programme sub-group, and the Affordability & Vulnerability sub-group meetings will be arranged this week. [now complete] DR reiterated that all members can attend or dial in if they wish, even if they aren’t officially sub-group members. KM to circulate membership lists for both sub-groups. KM

DR to create and circulate a terms of reference framework to be used as a template for the new sub-groups. Terms of reference will then be written by each sub-group and approved by the WWP as a whole. DR

5. **Areas of Focus items with Company colleagues (as necessary)**

JH to re-open number 5, and request further information on this as it’s a live issue. JH

JH to note that the WWP would like to monitor further leakage reduction plans (AOF numbers 8 & 11). JH

Reviewing the leakage areas of focus (numbers 7-12) provoked the following discussions:

- *JH commented that the information WW has supplied is sufficient to address the queries relating to the company’s current leakage reduction strategy and related operational activities. WW’s future*

leakage strategy will be scrutinised and challenged as part of the Partnership's review of PR19.

- *RC asked whether we had said in our leakage research that we can afford more leakage because we are in surplus – if we had, he considered this dangerous from an environmental point of view. RC had thought we'd said that as we become better at mending leaks, we reach a point at which further improvement becomes prohibitively expensive. PW explained that customers did say they'd be concerned if not reducing leakage meant that the environment or the level of service would be put at risk. As part of this we had to explain what their level of service was, including how and why we are allowed to abstract water. PW said that customers' support for not reducing leakage was dependent on there being no environmental damage.*
- *DR said that during the leakage research, we explained that water is recycled back to the environment. PW added that we also explained that the water is not recycled to the same place!*
- *RC commented that participants in our leakage research became informed but the issue is how to inform a greater number of people, as non-participants wouldn't have the same information. PW explained that this is why we did the stage 2 part of the research which tested how the opinion of people off the street reacted to our messages on leakage. DR suggested revisiting this research in the customer research sub-group – SL to add to agenda.*
- *JB asked whether we have a future vision for leakage. AP said we want to demonstrate that we take leakage seriously and want to see it continually reduce, but by new technology. Our vision would include a holistic approach. When suggested by DR, AP agreed that it's about the overall outcome not the route.*

SL

JH to note that for number 16, the WWP would like more info on actions we're taking to achieve the performance target. JH

For number 17, JH challenged why certain things are listed in the little/no control column, for example vehicle choice. NW argued that we can only work within what's available in the market, however DR clarified that more information is needed on why we choose certain vehicles from the available range – JH to note this. RC commented that it would be good to informally report 0 carbon electricity even if we can't officially report it. – NW to liaise with Dan Green to consider implementing this.

JH
NW/
DG

JH to mark number 18 as ongoing and to be monitored by the Affordability & Vulnerability sub-group. JH

MG commented that with the current television programme 'Blue Planet', plastics are a hot topic. MG asked how plastics affect what we're doing e.g. reuse of bottles. AP noted that water fountains have been suggested by Michael Gove, and are being considered for the Wessex region. AS added that we have been involved with the organisation City to Sea, which has not only been discussing plastic bottles, but also been lobbying to remove the plastic stick from cotton buds.

6. Water resources management plan

AS summarised the process of submission and publication of the WRMP.

RC asked what the graph on page 3 of the executive summary (which shows % change since 1995 in population, water put into supply network, and leakage) would look like if it included a data set for 'water available for licence abstraction'. AS said that the amount that we are allowed to abstract has only decreased and would approximately track the trend line for water put into supply network. DR noted that water into supply has risen slightly in recent years and AS responded that this was due to slightly warmer years.

It was noted that we discuss engagement on leakage, but suggested that engagement on resilience could feature more prominently in the summary. AS said that it's covered in the main part of the document.

DR asked about consideration given to development – AS said that development was one of the key sensitivities tested. We engaged with all local authorities to find development plans. This projected very steep increases in house building. We smoothed this trajectory, although we still tested the steep increase *unsmoothed* in the sensitivity testing, and this showed that we would still be in a supply demand balance surplus should house building occur at a greater rate than included in our central estimate.

When asked by JB, AS agreed to extract the following detail from the main document / technical appendices and circulate to the group: AS

- a summary of sensitivities we've tested against
- headlines of modelling
- explanation of what this means and risks we've assessed

JB suggested it would be helpful for the summary of sensitivities tested against to be included in the executive summary.

AS noted that climate change, population growth and housing development are all part of our baseline forecast.

AS to incorporate all feedback from this session with feedback from the public consultation. DR encouraged all to provide feedback later if needed. AS

7. PR19 Performance Commitments and Investment Overview

NW briefly presented the slides provided with the meeting papers.

RC asked whether this plan assumes a complete transposition of EU directives into UK law, and NW confirmed that it did.

JH asked if there will be a mechanism for DWI input. DR reported that he has tried to contact the DWI and will invite Sue Pennison to a future meeting. DR

DR reported that Sue Pennison has said the DWI is considering simplifying the measurement of risk (re drinking water). NW confirmed that this is

correct.

MG noted that an acronym and jargon guide would be useful for future slides – SL to update the existing glossary.

SL

RC asked if pharmaceuticals are an issue for water supply as well as sewerage. NW said yes.

MB asked for further explanation of the first graph on slide 11. NW said that the measure of drinking water quality is currently mean zonal compliance (MZC), but will be changing to compliance risk index (CRI). A low score (like that of Wessex Water) on the graph is good. Further information will be provided in the Investment Programme sub-group meetings.

DR asked if we can engage the community in capital schemes. NW said that engagement with a community group can often result in a low-build or no-build solution. Often the engagement is about alternative solutions rather than details of the capital scheme. SL noted that our SDS research discussed capital vs. catchment management. DR asked for more information on co-creation – any examples where engagement with local communities has resulted in changes to schemes – SL / Julian Welbank to provide.

SL/
JW

JB said he believes that the amount of a bill that customers can influence is quite small. NW argued that some things are statutory, such as drinking water quality, but agreed that very little can be altered. PW to try to provide a percentage or amount of bill that can be influenced, and some examples of how.

PW

DR noted that we are proposing to discontinue the AMP6 PCs ‘percentage rating good value for money’ and ‘bill as a proportion of disposable income’, and asked if there are other ways they will be covered. PW reported that Ofwat has made it clear that companies should not propose non-financial PCs, and that they believe C-mex covers all things customer. PW said that we would want to continue to publish value for money – it simply wouldn’t be an Ofwat PC.

DHa commented that it seemed odd to discontinue the ‘bill as a proportion of disposable income’ PC. PW explained that we could continue measuring it and aiming to achieve it, but we wouldn’t use it as an Ofwat PC. This is because it seems illogical to earn a reward (which would come from customers) for this particular measure.

JB said that he would like to be involved in developing a replacement measure for the EPA; NW agreed that this would be discussed in the Investment Programme sub-group. PW noted that it can be difficult to align environmental PCs, for which companies would aim to achieve 100%, with the Ofwat reward/penalty framework.

RC asked about ‘properties supplied by a single source (including the integrated supply grid)’. NW noted an error in the slide pack text for the

'reason' for this line and clarified that we are considering options for Maundown.

RC asked whether there is a better measure than 'proportion of energy self-generated'. For example if the overall measure was reducing carbon footprint it would be good to demonstrate that decisions on sludge had furthered this overall measure – Dan Green to consider. DG

JB suggested that if the bathing waters PC ('beaches passing EU standards') were discontinued, it could be replaced with a measure related to improvements made.

When asked by DR, PW said that some of the activities listed under 'Delivering for all' on slide 20 are things we already do, while some are new things. PW noted that we do a lot outside of the Ofwat 14 PCs and regulatory duties, because we believe it's what's required of us. SL to provide the WWP with a list of those things that are new or a big step up in what we already do. SL

NW noted that the Investment Programme sub-group will also cover PCs – DR to ensure this is clear in the terms of reference so that membership is appropriate. The Investment Programme sub-group will discuss bespoke PCs, DR and all measures that Wessex Water propose to discontinue – there was insufficient time to fully discuss these at today's meeting.

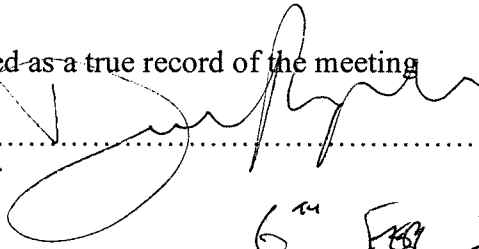
8. **AOB**

None.

Signed as a true record of the meeting

Chair

Date



6th Feb 2018