

Independent Chair: **Richard Lacey**

c/o **Bournemouth Water Ltd**

George Jessel House, Francis Avenue,
Bournemouth, BH11 8NX

Tel: 01202 722663 / 07836 374980

Email: richard@thelaceys.co.uk

**MINUTES OF
CUSTOMER VIEW GROUP
HELD ON WEDNESDAY 19 JULY 2017
AT 16:00 AT BOURNEMOUTH WATER HEAD OFFICE**

Present:

Richard Lacey – Chair (RL), Ed Vidler – Deputy Chair (EV), Dr Bruce Grant-Braham – Bournemouth University (BGB), Andy Woodland - Vice-Chairman Bournemouth Accommodation and Hotel Association (AW), Doug Kite – Natural England (DG), Jeremy Bailey – Environment Agency (JB), Emma Lee – CAB (EL) and Graham Hindley – CH2M (GH).

Also present from Bournemouth Water and South West Water:

Tracey Legg – Senior Regulation Manager (TL), Alan Hyde – Head of Communications (AH).

Apologies:

Michael Barnes – Consumer Council for Water (MB), Linda Willard (LW), Mike Short – Consumer Council for Water (MS), Kathy Tilbury (KT), Bob Taylor – Operations Director, Drinking Water Services (BT), Iain Vosper – Regulatory Director, Jo Ecroyd - Director of Domestic Customer Service (JE) and Sally Mills – Head of Customer Relations (SMi).

Item		Action
1	Apologies and Minutes of last meeting	
	<p><i>Apologies and introductions</i></p> <p>RL welcomed Graham Hindley (GH) to the meeting. GH gave the group an overview of his background. PR14 had a financial/technical focus, this meeting will focus on performance and GH has been invited as the technical side falls in his remit.</p> <p>RL also welcomed Alan Hyde (AH), Head of Communications for both SWW and BW.</p> <p>Apologies were given on behalf of MB, LW, KT, MS, BT, IV, JE and SM.</p> <p>Secretary: Stacey Carroll Tel: 01392 443467 Email: s.carroll@southwestwater.co.uk</p> <p>RL confirmed that the Chair's annual report is being finalised and would be circulated for comment.</p> <p><i>Minutes</i></p> <p>EV raised one point regarding item 3 and queried why the wording in the minutes stated that BW would be 'close to achieving' its PR14 energy performance commitment. EV asked whether the target is going to be met as it was not stated in</p>	

	firm words in the minutes. [See item 4 for GH response]	
2	Actions from the previous meeting and challenge update	
	<p><i>Challenge diary</i></p> <p>AH confirmed he would cover challenges 2 and 5 in his presentation.</p> <p>DK would address challenge12 under 'action matrix'.</p> <p>In relation to challenge 13, non-household retail, RL commented that he was still expecting Pennon Water Services (PWS) to be invited. TL observed that to ensure a Level Playing Field all retailers should be invited and proposed to use PR19 research with all retailers as an alternative. RL commented that CVG still wish to examine market opening from a PR14 customer perspective and want to know how PWS are treating customers. RL went on to say that CVG is awaiting a CCWater presentation on its report on market opening and this could possibly cross the bridge as an independent body to provide the assurance to CVG.</p> <p>ACTION: MS/MB to provide a report to CVG. Agenda item 8 carried forward</p> <p>In relation to challenge 2 (raise the profile of the communications strategy) RL commented that the number of community days achieved had fallen short of target and that as the company had chosen to not revise the performance commitment there would therefore be a penalty is £100 per-day-missed to a charity of CVG's choosing. RL commented that Wessex Water customer newsletter majored on community service and that in his view the Wessex approach is an exemplar.</p> <p>AH agreed that meeting the volunteer days is a challenge and is being promoted as a constant work activity via internal communications channels.</p> <p>In relation to challenge 5, social media, AH commented that the company is looking to introduce it for BW and the proposal is being worked up under JE's team. The company will need to ensure it is correctly resourced in order for it to meet customer expectations. There is currently no delivery date but it is being actively worked upon and will be launched in the coming months.</p> <p>RL agreed that while the channel is positive unless it is monitored and reacted-to it is not wholly effective.</p> <p>EL commented that there is no definite need to have social media as a two-way channel and that it could be used for promoting new initiatives, for example social tariffs, and from a Citizen's Advice perspective that would be helpful.</p> <p>AH replied that he envisaged a BW platform would be a two-way dialogue that could be measured for its effectiveness and value of what was being presented.</p> <p>GH gave feedback on CH2M's experience of social media. At Northumbrian Water the staff in the contact centre can see what is trending. Anglian Water push on incidents and so reduce contacts as people know what is happening. AH agreed and said that was SW's experience.</p> <p>It was agreed that challenge 18 (percentage of direct debit payers) had been covered and was therefore closed.</p> <p><u>Action matrix</u></p> <p><i>Action 10 - Help Support a Healthy Natural Water Environment</i></p> <p>DK listed a number of activities BW is currently undertaking relating to environmental performance.</p>	MB / MS

	<ul style="list-style-type: none"> • Catchment management to manage the pesticide metaldehyde. The company is supporting a Catchment Manager and DK commented that he is happy that the work progressing satisfactory. • Managing non-native invasive species. BW needs to understand what the species are and how can they be managed. The company has submitted a report to the EA, and DK confirmed he is satisfied with what BW has done. • Investigations at Woodgreen which need to be completed in 2017. DK commented that he was unsure what status the project was at. • Assessing biodiversity in the BW area of supply. DK confirmed that NE had received a draft report at the end of April. NE had responded with comments regarding additional work required and the availability of funding and are awaiting BW's response to its queries. DK added that NE is concerned that some long term actions should be done before 2020. • BW also has a PR14 performance commitment to produce an annual report for the EA and NE on its progress relating the Help Support a Healthy Natural Water Environment commitment. DK is awaiting the report. <p>RL commented that some delay was likely to be due to a hiatus following the merger and staff changes. DK's responded that from NE's perspective BW now has some catching up to do and observed that this is not as quick as he would like.</p> <p>RL raised DK's reference that funding may not be available. DK responded that he is concerned that some areas in the draft environmental report state that they are not funded; and other areas that state that funding will result from the next price review need to be undertaken earlier than that.</p> <p>DK stated that his questions for BW are:</p> <ul style="list-style-type: none"> • What are the company prepared to fund? • What is left and should it be funded under WINEP and what should be under the PR19 business plan? Bat boxes for example are not statutory drivers. <p>ACTION: TL to pass the questions to the relevant team and circulate the summary document to CVG.</p> <p>DK explained the process of WINEP (the Water Industry National Environment Programme) to the group and clarified that WINEP contains statutory drivers.</p> <p>DK requested the company to check to ensure that his East Stoke address is being used for posted correspondence.</p> <p>ACTION: TL to check</p> <p><i>Action 12 – consider restating the target for number of volunteer days</i></p> <p>It was agreed that the action would be recorded that BW had considered the proposal and advised that the target was a commitment and so not restated.</p> <p>BGB raised the query as to why the volunteering PC was created. TL explained that it was in response to PR14 customer engagement and feedback that the company was not visible in the community.</p> <p>EL commented that there are other ways to involve BW in the community, for example social media is widely accessible and the company can achieve the exposure.</p> <p><i>Actions 13-15 and 19 – customer policy</i></p> <p>As SMi was unable to attend the meeting it was agreed the she would create a report feeding-back on her actions.</p>	<p>TL</p> <p>TL</p> <p>SMi</p>
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	<p>ACTION: SMi to produce a report for circulation to members</p> <p>EL highlighted Angela Rose's work in the community and the positive feedback that has been received. She commented that 'the word is getting out'.</p>	
3	<p>Annual Performance Review summary paper</p>	
	<p>TL presented the BW version of the draft summary Annual Performance Report that would be published at the end of July.</p> <p>ACTION: Circulate the draft with the minutes.</p> <p>JB queried why no reference was made in the document to Permit Compliance whereas it had been referenced in previous BW documents. TL advised that the new document aligned with the SWW summary and related only to PR14 performance commitments, rather than the wider information that was previously provided with the How We're Doing.</p> <p>ACTION: If any members have any feedback please advise.</p>	<p>TL</p> <p>CVG</p>
4	<p>Draft annual CVG report on BW performance</p>	
	<p>GH gave a verbal presentation on the audit approach and explained that the comments were based on presentations given to the SWW Executive Management Board and the Pennon Executive Board.</p> <p>GH presented examples of the underlying work that underpins the overall technical report. He explained that CH2M's job is to get behind the information and understand the evidence. This involves looking at the information and data the company holds.</p> <p>GH commented in response to EV's earlier query regarding energy performance that CH2M have assessed the end of AMP performance at 2020 and the company is still on target. GH quoted an analogy of a train that was running late but could catch up.</p> <p>EV asked GH about CH2M's assessment of performance against the Reduce Large Scale Interruptions performance commitment. He questioned what CH2M have done to satisfy themselves of progress? GH replied they looked at evidence of construction of the mains. Wimborne is under construction, as evidenced by photographs, invoices from contractors and account information. From this CH2M used expert judgement to determine that the project is broadly on target. The Westcliff main is more complex project as SSSI's are involved therefore BW is looking at options. GH confirmed that he is satisfied that the company has made process and is on target to achieve the commitment by the end of the period.</p> <p>JB queried if CH2M are also technical auditors for SWW. GH confirmed that they are and explained the audit process for both ends of the business. He also provided an example of a pre audit risk assessment and presented a combined audit report covering the same audit for the SWW and BW areas.</p> <p>JB asked if the company shares the audit report with Ofwat. GH replied that while a report is written for SWW but is written so that it can be shared. He commented that this is a good practice example of SWW adopting a BW approach.</p> <p>RL thanked GH for his presentation and the knowledge that CH2M could drill down into the numbers and in turn give CVG assurance.</p> <p>RL asked AH whether performance against targets is highlighted to customers. AH described the SW approach and confirmed that customers of SWW will imminently receive a newsletter detailing SWW performance.</p> <p>In closing, and in relation to JB's earlier query regarding auditing the SWW area, GH</p>	

	confirmed that the Annual Performance Report contains the CH2M report and key findings.	
5	Update from regulators	
	JB reported that the headline from the EA and NE is that they have been delegated the Government's instruction to companies for PR19 and that this Government 'steer' to water companies WISER (Water Industry Strategic Environment Requirements) has been published. With this, WINEP (Water Industry National Environmental Programme) details the statutory requirements. Therefore companies now know what the requirements of them are. Resilience is now a key element; relating to drought, flood risk and population growth amongst others.	
6	Customer facing activities, tracking survey and social tariffs	
	In SMI's absence this report will be circulated as soon as it is available. [Action logged under item 2]	
7	Complaints handling update	
	<p>Comments from members on the report circulated prior to the meeting were invited. TL highlighted that in relation challenge 17, in Quarter 1 of 2017/18 billing complaints to CCWater have fallen. GH supported this.</p> <p>EV commented that despite the 20% reduction challenge 17 remains valid and asked for comparison with 2014/15 numbers, not 2015/16. EV also questioned whether NHH complaints been removed of the numbers presented and emphasised CVG want comparable data.</p> <p>ACTION: Company to provide a comparison with 2014/15 performance</p> <p>AW queried how complaints are logged. Are serial complaints counted as 1 or multiples? TL and GH explained the process.</p> <p>DK queried how negative sentiments on social media are monitored. AH confirmed they are not logged as complaints but it is all monitored by SW.</p> <p>RL commented that circa 400 complaints is still low in the industry sphere.</p>	JE
8	CCWater feedback on market opening data	
	No presentation was made and MB and MS were unable to attend the meeting. Item carried over.	
9	Revised meeting dates for Customer View Group	
	<p>RL presented the background to the proposal.</p> <p>ACTION: Members to come back to TL or RL to advise if the proposed dates are acceptable.</p> <p>AW enquired whether, if a specific area is being discussed, regulator presence be requested. DK confirmed he could pick up BW-only questions. JB raised the question of whether teleconferencing could help which would mean that regulators wouldn't always need to travel.</p> <p>ACTION: TL to follow up.</p>	<p>CVG</p> <p>TL</p>
10	Communications update	

AH explained how communications is organised in Pennon.

About a year ago there was a Shared Services review under the new Chairman, Sir John Parker. AH now has a group role covering all of the Pennon organisations, with resource dedicated to certain areas. Shared Services is now embedded and actively conscious that BW is a separate brand that needs and deserves attention, hence the desire to broaden the way it communicates with its customers.

There are some differences in SWW (eg the customer newspaper) but the communications team are looking to continue the BW approach and in doing so not cause upset. No change to BW's community engagement is planned and the team is looking to take up opportunities to use BH Life.

AH observed that the website is an important communications channel. BW's current site is a 'brochure site' and not yet transactional and providing online experiences. The plan is to revamp the site, initially to change the look then move to a transactional site. The project plan is currently being worked up and this, in combination with the move to social media will bring about a large change. The intention is to have a positive corporate site with proactive tweets, designed infographics and video clips and provide a transactional experience.

AH detailed a number of communications activities that take place:

SWW will continue to sponsor Life Education Wessex with educational outreach and the water cycle including Government's health strategy. Under the joint Waterwise/BW banner 55 school visits have taken place and 4,641 pupils received the presentation.

BW supports a number of charities including Wateraid (the industry charity), Royal Bournemouth Hospital, Streetwise, Dorset and Hampshire Wildlife Trusts, Autism Wessex and the New Forest National Park. SWW have a charity policy of using Business in the Community Framework to explore any overlap between the core business and needs arising from social engagement. Following research the company will engage with local charities and a staff poll will decide which to engage and develop strategic partnerships with.

The Community Team does same work in the BW area as it does in the SWW area. The Bournemouth Food Festival is being considered in relation to whether meaningful engagement can be achieved.

Media Relations runs a 24/7 press office. The BW profile is measured, and is low key and overwhelmingly positive. The office measures volume of coverage, reach and whether the activity is positive or negative.

Stakeholder Relations meet local authorities regularly and offer opportunities for stakeholders to visit the company. No negative feedback has been received. This team also belongs to other organisations to maintain profile in the stakeholder community.

Finally, SWW is looking to supplement core regulatory customer engagement with campaigning and looking at brand perception by stakeholders. The intention is to address root causes of issues through communication including working to change behaviour, for example encouraging people to not flush wet wipes down the toilet and oil and fat down sinks. The company also wishes to do more on water efficiency and health and wellbeing. The intention is to take a deeper view of communications to improve performance overall.

To conclude, RL thanked AH and reiterated that CVG encouraged SWW to keep up the good work and continue to spread the message of the good work going on at BW.

EV raised the question of Ofwat's keenness on the capture of customer information

	<p>and asked whether it is that an area that SWW is developing. AH confirmed it is wrapped up in the work SMI's team is conducting. AH confirmed that companies can buy in information but SWW is building up a granular profile. AH continued that SWW is fully behind putting customers first and understanding their needs. The company is producing a business plan that reflects these needs and then will communicate effectively to demonstrate how it's being delivered.</p> <p>Lastly, AH confirmed that the company is looking at participating in Heritage Open Days this year.</p>	
11	AOB and date of next meeting	
	<p>There was no AOB.</p> <p>The next meeting is scheduled 18 October, 16:00 – 18:00</p>	