

Minutes of the meeting of the Dee Valley Water Customer Challenge Group

Royal Oak, Welshpool

13 September 2017

Present:

<i>Chair</i>	Clare Evans
<i>Independent Member</i>	David Oxley
<i>CCWater</i>	Angela Davies-Jones
<i>CCWater</i>	Lia Moutselou
<i>Independent Member</i>	Paul Roberts
<i>Welsh Government (Observer)</i>	Catherine Osbourne

There were no apologies

In attendance:

<i>Dee Valley/Severn Trent</i>	Heather Thompson (Outcomes Manager) Shane Anderson (Regulatory Economics Manager) Vanessa Mallinson (Government Affairs Manager) Kay Orsi (PR19 DVW Programme Manager) Ed Eaton (DVW PMO) Louise Moir (Credit Management Leader) Katherine Bird (PR19 PMO lead)
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These minutes are a redacted version that were taken at the meeting

Item 1: Welcome and review of minutes and actions

The chair discussed and outlined the potential new members that have been contacted and she confirmed that the following would be joining the CCG:

Confirmed: Councillor Joy Jones had been confirmed as Powys County Council's representative for the CCG.

Contacted and waiting for a response: Rhianne Jones CLA – Country Land and Business Association; Glyn Roberts (Farmers Union of Wales), Dr Liz Lewis-Reddy, Montgomeryshire Wildlife Trust, the RSPB, Wrexham County Borough Council.

Action updates

Responses to actions were discussed and the actions were either closed or follow up actions developed.

Item 2: Regulator updates

- A letter from DWI regarding expectation for PR19 had been emailed to the Chair the day before the meeting.
- This would be circulated to all members.
- The group sought clarity about how the company are responding to the guidance. the company confirmed they will demonstrate application of the guidance at future meetings.
- The company explained that NRW had issued the first version of the environment programme (WINEP) and that discussions are on-going to fully understand and develop the response to the draft programme.

NRW to be asked to provide their view on Wales's specific performance issues and provide visibility of the WINEP (national environment programme, set by Natural Resources Wales (NRW)).

Item 3: Customer Engagement

The company gave an overview of the approach to Customer Engagement in Wales.

- Discussion held around the aspects of social tariffs and debt management.
- It was mentioned that caution should be taken about merging these two aspects when carrying out the customer engagement. Members also wished to ensure that vulnerability and affordability are not 'bundled together' as the same issue as they are different. The group discussed what tools were useful to help promote social tariffs and one member wanted to better understand the existing barriers to getting on to a social tariff.

CHALLENGE – What are the company currently doing to promote social tariffs to eligible customers?

The Chair noted that the Ofwat performance commitment proposal on affordability and vulnerability reflected inputs rather than impacts / outcome.

CHALLENGE – What performance commitments are the company considering to better reflect customer impacts / outcomes resulting from assistance measure such as the social tariff? The CCG challenged the company to develop more appropriate performance commitments that linked to impacts/outputs.

Members discussed how the research and data might be best used. One member queried the approach to triangulation and sought to understand more about the framework.

CHALLENGE – A discussion was held around whether some of the communities currently identified (by random sample) for inclusion in the customer engagement be altered to ensure a better reflection of the Welsh speaking customer base. CCG members offered their local knowledge to assist in this process.

The approach to WTP was discussed further. One member sought to understand if the company were going to ask other companies to share the WTP results and then utilise that data within the triangulation approach. For example to understand and consider how Welsh Water's customers views compare to the company customer's views on the same service area.

The group reviewed the proposed service attributes included in the WTP survey and one member **challenged** the company on how they are trying to understand customer's views on repeat service failures (worst served customers). The company explained that they had not been able to include questions about repeat failures because due to data unavailability. The group noted the data issue but still wanted to understand how repeat service failures are handled.

Several members commented that when talking about river water quality improvements, metrics should be easy to understand and measurable. The WTP questions need to be clear and phrased in a way that is understandable to customers.

Members **challenged** the company to see if it could clearly set out the specific service offering across the different customers within the new Wales boundary (e.g. which customers are water only, which are water and waste, and how do the performance levels vary?). The group also requested that wherever possible performance should be set out relative to the rest of the industry (i.e. using comparative data to place the company in relation to other water and water/sewerage companies).

Challenge the company to set out performance relative to the rest of the industry where appropriate in customer research.

The approach to customer needs deliberative research was discussed. CCG members were invited to attend research events. A member noted that the approach outlined focuses on household customers and does not cover non-household customers. The company explained that they consider that some of the topics addressed in this research are most relevant to a household audience however they will be testing trade-offs on the plan with non-household customers in 2018. The WTP research also includes a non-household sample.

In relation to the customer needs research, it was discussed whether the company are engaging with the right types of customers and how they are defining those in vulnerable circumstances. In this research the company are including a series of in depth interviews, in home, with customers in both financially vulnerable circumstances and those with health and wellbeing vulnerabilities.

Item 3: Social tariffs research

The approach to the social tariffs research was introduced. The group were keen to understand the customer engagement in more detail. With specifics to be brought to future meetings.

Item 4: Wholesale

The company provided an overview of the areas of the plan which will be brought to each meeting as the plan develops. The company explained that they do not want to pre-empt the findings from the customer engagement, but initial thinking has been done to identify the areas of the plan that are likely to require a step change from the past. The company explained that these areas have been identified through a combination of stakeholder engagement, review of new statutory obligations and an internal review of risks to service. The four proposed areas of strategic needs were described and the group giving feedback on their proposals.

Item 5: Stakeholder Engagement

The company set out the proposed upcoming stakeholder engagement. One member asked how the company are going to link the findings from both customer and stakeholder engagement.

CHALLENGE – The stakeholder engagement to date has focussed primarily on Water Resources. When will the wider plan be discussed with Stakeholders?

Item 6: Forward agenda

Discussion was held around the forward agenda and what should be brought to the group, and when. The company to provide an update on AMP6 performance at the next meeting. The company to arrange meetings to alternate between Wrexham and Welshpool. Dates of the next two meetings were agreed (1st November and 29th November).

Item 7: CCG Private Session:

Due to the meeting having overrun, there were no items for discussion under the private session.