

Engagement with Stakeholders

INTRODUCTION

Engagement and consultation with stakeholders is an important part of ensuring that our approach to charges is fit for purpose, understood and takes into account the legitimate views of customers, retailers and other stakeholders. This document sets out the way in which U UW has engaged with stakeholders as part of the process of establishing 2023/24 charges.

CONSUMER COUNCIL FOR WATER (CCW)

Regular meetings are held with CCW on changes proposed to the Charges Schemes, significant policy changes and to share our approach to the development of charges. A summary of engagement with CCW on charging in relation to all of our Charges Schemes and the actions taken by U UW is included as Appendix 1 to this document.

NEW CONNECTIONS AND DEVELOPER SERVICES CHARGES

U UW has continued to consult with stakeholders on the approach taken for the development of charges for new connections and developer services. In compiling our charges scheme, we have considered comments made over the course of the year by these stakeholders and CCW, alongside feedback from our wider stakeholder consultation activities.

We have an ongoing engagement plan with developer customers which is delivered through a number of channels including our Developer Relationship Manager, regular technical forums, information sessions on charges, regular planned stakeholder meetings and our annual developer conference which has been very well attended for a number of years. Our annual developer conference took place in person on 5 October 2022 in addition to other engagement events continuing on-line with positive attendance and interaction.

Appendix 2 contains a summary of the stakeholder engagement conducted during the year along with the key stakeholders who participated in each activity.

Appendix 3 contains a summary of key feedback from stakeholders and how U UW has addressed this feedback.

RETAILERS AND SELF-SUPPLY LICENSEES

A summary of engagement with retailers and self-supply licensees on charging in relation to all of our Charges Schemes and the actions taken by U UW is included as Appendix 4 to this document.

NAV CHARGING ARRANGEMENTS

U UW has continued to constructively engage with the NAV community during the year. NAVs have used these engagement sessions to highlight areas where we could make our charges more accessible and to ask for clarification on our approach. We continue to engage with NAVs, as part of our annual review of charges, and consider how best to incorporate their ideas into our bulk charges. This included active

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involvement in Ofwat's NAV working group on bulk charges, alongside key NAV stakeholders and other incumbent water companies.

A summary of engagement with NAVs on charging and the actions taken by U UW is included as Appendix 5 to this document.

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APPENDIX 1 – SUMMARY OF CONSULTATION WITH CCW ON 2023/24 CHARGES

Date	Activity	CCW feedback	UUW action
19 July 2022	Meeting held between UUW and CCW which included updates on UUW's proposed changes for 2023/24 and on the approach and timetable for the finalisation of 2023/24 charges and charges schemes	Acknowledged	None required
9 September 2022	Meeting held between UUW and CCW to discuss 2023/24 indicative charges and proposed significant changes to charges for 2023/24	Acknowledged	None required
3 October 2022	Returned completed CCW charges template data request	No issues raised	None required
13 October 2022	Informed CCW that indicative wholesale charges now published and provided a hyperlink to the publication on UUW's website.	No issues raised	None required
21 October 2022	Shared draft Household, Wholesale Water, Wholesale Sewerage charges schemes with CCW for comment	Requested change re CCW contact details and amendment to definition of service pipe components	Amended in line with CCW's proposals
11 November 2022	Shared draft New Connections and Developer Services charging arrangement with CCW for comment	No issues raised	None required
14 December 2022	Shared wording with CCW to be included as an appended document to the Assurance Statements about CCW engagement	Confirmed that the wording is appropriate to be used	None required

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APPENDIX 2 – STAKEHOLDER ENGAGEMENT EVENTS FOR 2023/24 NEW CONNECTIONS CHARGES

Activity	Date	Developers	SLP	NAV	HBF	HBA	Fair Water connections	Consultants	CCW
United Utilities new connections and developer services charging information for 2022/2023	04 January 2022	✓	✓		✓	✓	✓	✓	
Charges Annual Forum	01 March 2022	✓	✓					✓	
Wastewater Technical Forum (including charges)	31 March 2022	✓						✓	
Water Technical Forum (including charges)	17 May 2022	✓	✓					✓	
Customer Charges Panel Focus Group	09 May 2022	✓	✓						
Customer Charges Panel Focus Group	03 August 2022	✓	✓						
Developer Day	05 October 2022	✓	✓		✓			✓	
United Utilities Water Sustainability Scheme Update 2022- Developers (Email Comms)	11 October 2022	✓	✓	✓	✓	✓	✓	✓	
CCW Charges scheme issued for comment	11 November 2022								✓
Nav Stakeholder Day	07 December 2022			✓					
Newsletter	09 December 2022	✓	✓		✓	✓	✓	✓	
Customer Charges Panel Focus Group	14 December 2022	✓	✓						

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APPENDIX 3 – SUMMARY OF DEVELOPER STAKEHOLDER FEEDBACK

Our stakeholders said:	UU response:
Developers requested lay only rates for mains connection so work can be carried out whilst the Developer/SLP already has an open excavation at the point of connection	Through our contract renegotiation process we have developed and introduced new rates for lay only branch, piece up and end connections
Developers said they build houses to a standard specification so why can't they submit the information required for sustainable developments once as that is the standard across all developments	We are developing an approach for annual bulk submissions of water calculators and associated specification sheets for introduction from April 2023. Each development throughout the year would then only need to sign the disclaimer
Some Developers haven't been listening regarding the removal of income offset from April 2025 and some stakeholders will find it a shock when it is removed	Income offset removal has been discussed throughout the year at stakeholder engagement sessions to prepare for removal from April 2025 and will continue to be discussed throughout 2023/2024
The threshold for water sustainability is coming down year on year and its going to reach a stage where developers can not achieve it	The threshold will remain at 100lpppd for 2023/2024 with the introduction of bulk submission. We will look at alternatives to help developers build water efficient homes i.e. grey water/rainwater harvesting/flow regulators/water butts/permeable surfaces/rain gardens
Developers/SLPs requested to be able to sign agreements electronically	Introduction of DocuSign which will allow Developers/SLPs/land owners to sign electronically, which will speed up the process

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APPENDIX 4 – SUMMARY OF ENGAGEMENT WITH RETAILERS AND SELF-SUPPLY LICENSEES ON 2023/24 CHARGES

Date	Activity	Action	Retailer / SSL Feedback	UW Action
13 October 2022	Publication of 2023/24 Indicative Wholesale Charges	Email sent to all retailers and self-supply licensees' managing agent	None	None Required
Regular intervals throughout the year	Service review, meetings with each retailer, frequency as agreed with individual retailers	None	None	None required
December 2022	Notice that United Utilities Water Ltd no longer intends to levy volumetric charges for water and sewerage services to vacant non-household premises from 1 April 2023	Email sent to all retailers and self-supply licensees' managing agent	None	None required

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APPENDIX 5 – SUMMARY OF ENGAGEMENT WITH NAVs ON 2023/24 CHARGES

Date	Activity	Action	NAV Feedback	UW Action
Monthly (ongoing)	Service review meetings with each NAV. Standard agenda items including site status and application updates	Respond to queries raised by NAV	Positive response to meetings	Monthly meetings confirmed in the diary
Monthly (ongoing)	Settlement of wholesale charges	Wholesale settlement team monthly meeting held with NAV	Positive response to meeting	Monthly meetings confirmed in the diary
Monthly (ongoing)	Ofwat working group on bulk charges for NAVs	Industry group comprised of both NAVs and incumbent water companies, to promote and enable the effectiveness of competition in the NAV market by improving the sector's approach to bulk charging		Active member (alongside representatives from both incumbents and NAVs) of the pricing methodologies workstream reporting back to the main working group itself
7 December 2022	NAV Stakeholder Day	None	None	None required