

# YourVoice – Environment and Social Capital sub group:

## Terms of Reference & Membership

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### 1. Requirement and Role

- 1.1. YourVoice, the Independent Challenge Group for North West water customers and stakeholders, provides independent scrutiny, advice and challenge in relation to United Utilities' customer engagement and research activities.
- 1.2. In addition, YourVoice reviews and challenges United Utilities' business plan delivery as well as reviewing and assuring its customer reporting. It considers, reviews and challenges the company's customer research and engagement, and its PR24 business plan submission to Ofwat.
- 1.3. The role of YourVoice is to be a 'critical friend' to United Utilities, understanding challenges, commenting on plans and expressing views about the key issues and priorities.
- 1.4. To support its work, and enable more detailed scrutiny of important work areas, YourVoice has established four sub-groups focusing on customer engagement & research; the environment, natural capital & social capital agenda; seeking the views of regional stakeholders; and looking at customer vulnerability and affordability. The Chair of YourVoice will be a member of each of the sub groups.
- 1.5. These are the **Terms of Reference are for the Environment and Social Capital sub group.**

### 2. Purpose & Terms of Reference

The Environment & Social Capital sub group will:

- 2.1. undertake detailed scrutiny and challenge of United Utilities' performance and proposals from the perspective of optimising the value of natural and social capital. This will enable a broad view of the environmental and societal benefits and risks to customers and stakeholders arising from the way in which the company manages its land and other natural assets, and in carrying out its wider activities to deliver environmental, community, health and other social outcomes.
- 2.2. receive and review UU's proposals for its environmental programme, statutory requirements and major pieces of work such as WINEP, DWMP, WRMP, carbon reduction, water transfers and other relevant subjects.
- 2.3. in addition to United Utilities' performance in relation to environmental performance commitments and outcome delivery incentives (ODIs), the sub group will look at the company's long-term approach and ambitions in developing natural capital, increasing social value, improving resilience, supporting partnership working, promoting behavioural change and delivering innovation. It will review the company climate change commitments. It will consider

the approach to customer research and engagement relating to environmental and social value activities in coordination with the Customer Engagement sub-group, which takes the lead on customer research and engagement activities.

- 2.4. The sub group will be the scrutiny body for the Better Rivers:Better North West plan, adopting the role of the company's external environmental scrutiny committee of external stakeholders to drive greater oversight.

On the delivery of the **2020-25 Business Plan (AMP7)**, the sub group will:

- 2.5. review and challenge the company on the delivery of its AMP7 business plan environmental performance commitments and ODIs, including contractual over- and under-performance payments. It will consider key issues and challenges and, where appropriate, undertake a 'deep dive' looking in detail at particular areas and emerging issues.
- 2.6. consider ways in which the company reports progress on its environmental and social value commitments, including advising on improvements to the clarity of information provided to customers and stakeholders.

On preparations for the **PR24 Price Review process (2025 – 2030)**, the sub group will:

- 2.7. review and challenge United Utilities on the way in which it is addressing regulatory and statutory requirements relating to the preparation of water resource management plans, environmental improvement programmes, carbon reduction plans, drought plans, better rivers, drainage & wastewater management plans, planning for potential regional water transfers and other issues relevant to natural and social capital.
- 2.8. support the work of the Customer Engagement sub group by providing the opportunity to review and challenge the company on the scope and quality of the company's customer engagement in relation to environmental, natural capital and social value outcomes, and the extent to which the research evidence and insights is reflected in business plan proposals.

### **3. Governance and membership**

- 3.1. The sub group's membership will be drawn from organisations involved in environmental and social value fields, reflecting a cross-section of skills and experience covering policy, community and regulatory expertise. It may include representatives of:

- Environmental NGOs
- Statutory agencies
- Land-based and farming interests
- Health sector
- Voluntary and community sector

- Environmental organisations and Trusts
- Other YourVoice Sub group members.

- 3.2. The Chair will be selected by the YourVoice panel and will be responsible for reporting back on sub group activities in line with agreed levels of delegation. Administrative support in holding and reporting on meetings will be provided by the independent YourVoice Secretary.
- 3.3. The Director of Environment, Planning and Innovation, or suitable senior nominee, will be United Utilities' lead representative on the sub group, and will be supported by colleagues from across the organisation as required.
- 3.4. The sub group will aim to meet at least quarterly but with more frequent meetings as required, for example to deal with urgent issues or during the later stages of the PR24 process.
- 3.5. The sub group will be quorate if the Chair is present plus at least two other members.
- 3.6. Members may meet in private if they deem it necessary.
- 3.7. Papers will be circulated to sub group members at least three working days in advance of meetings. Meeting minutes will be published on the YourVoice web pages.
- 3.8. Members will declare any interests at least annually and if applicable at any meeting of this sub group.
- 3.9. Appropriate induction and training will be provided to sub group members, and detailed briefing made available on any new policy introductions, consultations or changes.
- 3.10.