

YourVoice - Minutes of 14 January 2020 Meeting at Lingley Mere, Warrington

Present:

YourVoice members Bernice Law – Independent Chair Tayo Adebawale – Independent Member Andrew White – Consumer Council for Water Bhupendra Mistry – Consumer Council for Water Dave Thompson – Warrington Disability Partnership Steve Cullen – Citizens Advice & Money Advice Damian Waters – Confederation of British Industry Claire Bunter – Environment Agency Neil Cumberlidge – Independent Secretary	United Utilities Gaynor Kenyon – Corporate Affairs Director James Bullock – Strategy & Regulation Director (part) Louise Beardmore – Customer Services & People Director Jo Harrison – Environment & Asset Strategy Director Frank Grimshaw – Regulatory Strategy Manager (part) Mark Abbott – Regulatory Contract Manager Ken Dillon – Research & Engagement Partner
Apologies Alistair Maltby – The Rivers Trust Adam Briggs – National Farmers Union Richard Jarvis – Public Health England Allen Creedy – Federation of Small Businesses Keith Ashcroft – Environment Agency	

Item 1 – Minutes/actions from 23 July 2019 meeting

The draft minutes were approved.

Actions/matters arising

- Mark Abbott drew attention to the current consultation exercise on the draft risk assessment and assurance plan for the 2019/20 reporting year.

Action: Link to relevant documents to be circulated to YourVoice members for information but with any comments welcome by end-February.

- All other actions and matters arising had either been dealt with or would be picked up under other agenda items.

Item 2 – Final PR19 Determination

James Bullock outlined the key points from Ofwat’s Final Determination issued in December 2019:

- Changes from the Draft Determination had resulted in a more balanced risk/reward profile.
- The transition to using CPIH will mean less volatile bills for customers.
- Further changes had been made to a number of ODI targets and rates, including supply interruptions, leakage and internal flooding;

- Inclusion of financial incentives to use direct procurement to deliver the Manchester & Pennines Resilience scheme.
- Changes to the SIM reward and new C-MeX methodologies.

YourVoice members made the following points:

- The reversion of the leakage reduction target to the 15% originally proposed was welcomed.
- The challenge in meeting the revised internal flooding target was recognised, and will require innovative approaches.
- The requirement on UU customers to fund up to £25 million of preparatory work relating to potential water transfers to the south was noted.

Item 3 – Sub-group reports

Neil Cumberlidge introduced the new template for Sub-group reporting to the main YV panel.

In the absence of the Chair, Alistair Maltby, Neil outlined the key issues discussed at the 4 December meeting of the Environment Sub-group, highlighting the challenges the company faces in delivering a zero net carbon target by 2030.

Action: Gaynor Kenyon to circulate Water UK’s public interest commitment document covering the zero net carbon and other key pledges.

Jo Harrison outlined the need to make changes to AMP 6 Eels and Elvers scheme at Windermere, following advice from EA that strobe lights were no longer permitted as a deterrent measure. The need to investigate alternative solutions will mean that the end-March target for delivering the scheme cannot be met, so the company was exploring the possibility of the project being excluded from the ODI.

Item 4 – Quarterly Performance Reporting

Louise Beardmore presented the Domestic Retail performance measures up to December 2019. The following points were highlighted:

- In advance of the change to measuring Per Capita rather than Per Household Consumption, the company had appointed a new lead officer on water efficiency and will be commissioning new research.
- The bill reductions planned in the next AMP are likely to reduce the incentive for customers to install water meters.
- Q3 results for the CMeX shadow year had been received and were being analysed.

Jo Harrison presented the Wholesale performance measures covering wastewater and water up to December 2019. The following points were highlighted:

- The rainy July to October period had impacted on performance for the Sewer Flooding Index and Wastewater Network Performance Index measures.
- Treatment work compliance failures had affected performance under the Maintaining Wastewater Treatment Works measure.
- Changes to the programme had reduced the length of rivers targeted for improvement schemes, leading to underperformance on the Contribution to Rivers Improved measure.
- The major burst at Prenton had impacted on performance against the Reliable Water Service Index measure.

Item 5 – Any other business

- a. Louise Beardmore reminded YourVoice members that the 2020 Affordability Summit will be held on 20 January in Liverpool.
- b. Neil Cumberlidge explained that the draft report on YourVoice members' self-assessment of performance during the Price Review will now be circulated to UU for comment.
- c. Chris Matthews briefed YourVoice about plans to refresh the company's Business Principles.

The next meeting will be held on 21 April 2020 at Lingley Mere.