

YourVoice - Minutes of 10 November 2021 Meeting via MS Teams

Present:

YourVoice members Bernice Law – Independent Chair Tayo Adebowale – Independent Member Adam Briggs – NFU Claire Bunter – Environment Agency Dave Thompson – Disability Partnership, Warrington Damian Waters – CBI Andrew White – Consumer Council for Water	United Utilities Sally Ainsworth – Head of Service Recovery James Bullock – Strategy, Policy & Regulation Director Emma Dennett – Regulatory Contract Manager Jo Harrison – Environmental Planning & Innovation Director Gaynor Kenyon – Corporate Affairs Director Chris Matthews – Head of Public and Community Affairs Ben Nadel – Regulation, Reform & Compliance Manager
Apologies Keith Ashcroft – Environment Agency, Mark Atherton – Director of Environment, Greater Manchester Combined Authority, Louise Beardmore – Customer Services & People Director, Simon Chadwick – Water, Wastewater and Digital Services Director.	

Item 1 – Introductions and apologies & actions from the previous meeting

Apologies were noted as listed above. The minutes were accepted and actions 4, 13 and 14 discussed. The matters arising had been, or were in the course of being, dealt with or were on the agenda for this meeting or a future meeting.

Members noted that Ken Dillon had retired recently and asked that their thanks be recorded for his important contribution to the work of YourVoice.

Action: Louise Beardmore to write to YourVoice members and invite them to visit Morrison's Utility Services centre of excellence for a short briefing on the 'Enhanced Metering' scheme

Action: Bernice Law requested further information on a platform for sharing customer research

Item 2 – 2020/21 industry comparative performance and APR graphics review

Emma Dennett provided an overview of water company performance in 2020/21. She reported that the company had achieved or exceeded 80% of its performance commitments, an industry leading position. It was noted that the performance graphic jointly developed with YourVoice provided a clear representation of year one performance and compared well against other water company submissions.

Discussion points focused mainly on areas of performance improvement and covered the following:

- The factors driving the company's internal sewer flooding performance which included the increasing frequency of extreme weather events (1 in 20 years) and the higher number of combined systems. The Group was told that 40% of the company's flooding incidents took place in 2% of the year, reinforcing the significance of extreme weather events.
- Whether water companies performance reporting is consistent. Changes have been made but, as this comparative data is being shared for the first time, there is scope for further improvement. On per capita consumption, it was explained to the Group that there are accepted differences in approach.
- Given COP26 was underway, the Group asked about requirements in relation to 'green' finance and whether the company was looking at this. It is expected this will feature in some way in PR24. As the company already has a sustainable finance framework, details will be shared with the Group.
- The Group acknowledged their comments about the report graphics had been actioned.

Action: to schedule an agenda item to provide more insight on sewer flooding at a future meeting

Action: Chris Matthews to share details of the company's sustainable finance framework with Group members and to add this topic to the agenda for the March meeting

Item 3 – Customer research programme update

Ben Nadel provided an update on the customer research programme and further details on insight gathered from research into drainage and water resources management plans and combined sewer overflows (CSOs).

The following points were raised in discussion:

- On CSOs, it appeared that the more people earn, the less willing they are to pay though the company had concluded this was more likely to be a particularly local issue.
- Given recent publicity about water quality in Windermere, was it possible customer views had changed? The company explained that following investment totaling £40m, designated bathing waters had achieved an excellent standard with the majority of issues now linked to septic tanks. The company continues to be involved in a wide ranging approach with several stakeholders and this will need underpinning with customer research.

Item 4 – Quarterly Performance Report

Sally Ainsworth presented customer performance measures for the previous period. Of the twelve measures, only per capita consumption is currently at 'red' status. The following points were raised in discussion:

- The company was asked how far it is redesigning meters to provide customers with information about consumption. It was agreed to bring a fuller update to a future meeting.
- As environmental awareness is growing, catalysed by the likes of COP26, how far is that impacting performance? The company reported that it had detected customers are discussing environmental matters and are keen to hear more from United Utilities. This had been discussed at the Affordability and Vulnerability sub-group in relation to the benefit to bills through reduced water usage.

Action: to schedule an agenda item on metering at a future meeting

Jo Harrison presented operational performance measures for the previous period. The challenge of managing wastewater treatment works compliance was flagged given that changes such as weather, trade effluent discharges and catchment issues can all impact treatment works performance.

Group members observed that in the 2021 Annual Performance Report they had highlighted issues around water quality performance and noted that, so far, this did not appear to be improving. A report on this topic was requested at the next meeting.

Action: Charmain Abbott to bring a report to the next meeting on water quality performance

Item 5 – YourVoice Sub-Group Reports

Environment & Social Value subgroup

Bernice Law summarised discussions from the last meeting and the topics covered which included:

- Water Industry National Environment Plan (WINEP), in particular the focus on long-term planning and co-design with the Environment Agency;
- an update on natural capital accounting; and
- changes in regulation driving possible increases in cost to run the company's bioresources activities, namely the Industrial Emissions Directive and Farming Rules for Water. The company is about to publish a thought piece on a national bioresources strategy and offered to share this with Group members. It was noted that bioresources should be included in the WINEP and that there is a considerable carbon impact associated with incineration, one of the

options for processing sludge.

Action: Gaynor Kenyon to share thought piece on a national bioresources strategy

Customer Engagement subgroup

Tayo Adebawale summarised discussions from the last meeting and the topics covered which included:

- the challenge of 'hard to reach' customers and understanding what is meant by the term;
- an update on the approach to asset health;
- a close examination of the current research projects and timescales; and
- details on Ofwat's national research approach and highlights from CCW's PR24 manifesto.

Affordability and Vulnerability subgroup

Dave Thompson summarised discussions from the last meeting, observing that there had been a strong turnout from the third and community support sectors. It was noted that the other utility companies present were emulating the approach taken by United Utilities. Topics included:

- the company's approach to data sharing;
- the increase in customer registrations for priority services to 145k, with growth targets on track; and
- updates on support schemes, community engagement and water saving.

Collette Evans, Head of Customer Services, will replace Louise Beardmore on the Group.

Item 6 – Evolving YourVoice

James Bullock provided an update on Ofwat's current direction with no formal requirement for customer challenge groups at PR24 but an expectation of high standards for customer research and assurance. He reported that Ofwat guidance is expected between November and January.

Gaynor Kenyon shared the company's proposal on how YourVoice should evolve. It was suggested that the solid foundation of constructive challenge given by YourVoice over two price review cycles is built upon and widened to include more structured stakeholder engagement.

The following points were raised in discussion:

- Group members appreciated that the company had recognised the value of YourVoice, respecting its role to promote and push for changes in customers' interests.
- That it made sense for the company to seek broader stakeholder perspectives alongside those of customers. Such an approach would provide stakeholders with an opportunity to share their views with the company.
- Expectations that the approach will be structured and facilitate effective stakeholder engagement to support the development of the business plan. One member commented that this approach to stakeholder engagement should deliver for customers.
- That the proposal provided greater clarity on where particular organisations fit under the YourVoice governance.
- The Group observed there will be challenges securing engagement with more stakeholders and asked what measures will be used to determine the success of the new approach.

Action – YourVoice members to feed any further comments on the proposal to Bernice Law who will share with the company

Item 8 – AOB and future meetings.

Bernice Law mentioned that CCG chairs meeting is due to take place in November and that she would report back.

The next YourVoice main group meeting will take place at 10am on 2nd March 2022.