

## YourVoice - Minutes of 8 October 2020 Meeting held via MS Teams

### Present:

<b>YourVoice members</b> Bernice Law – Independent Chair Tayo Adebowale – Independent Andrew White – Consumer Council for Water Bhupendra Mistry – Consumer Council for Water Dave Thompson – Warrington Disability Partnership Damian Waters – Confederation of British Industry Claire Bunter – Environment Agency Alistair Maltby – Woodland Trust Steve Cullen – Citizens Advice & Money Advice Neil Cumberlidge – Independent Secretary	<b>United Utilities</b> Gaynor Kenyon – Corporate Affairs Director James Bullock – Strategy & Regulation Director Louise Beardmore – Customer Services & People Director Jo Harrison – Environment, Planning & Innovation Director Emma Dennett – Regulatory Contract Manager Ken Dillon – Research & Engagement Partner Simon Chadwick – Waste, Wastewater & Digital Director Jemma Parkinson – Area Stakeholder Manager Richard Blackwell – Water Resources West
<b>Apologies</b> Keith Ashcroft – Environment Agency Adam Briggs – National Farmers Union Allen Creedy – Federation of Small Businesses Deborah Murray – Groundwork GM	

### Item 1 – Introductions

Bernice Law explained that Mark Atherton, Director of Environment at the Greater Manchester Combined Authority had been invited to join the YourVoice panel, and would also sit on the Environment Sub-Group.

### Item 2 – Minutes/actions from 21 July 2020 meeting

The draft minutes were approved.

Louise Beardmore updated members on progress in taking forward the Business Transformation Project, highlighting the challenges arising in dealing with an exceptionally busy workload at a time when staff absence due to COVID-19 was increasing.

### Item 3 – Sub-group reports

Neil Cumberlidge explained that no Sub-Group meetings had taken place since the July YourVoice meeting. An Environment Sub-Group is planned on 28 October, and Ken Dillon confirmed a Customer Engagement Sub-Group meeting for 19 November.

### Item 4 – Haweswater Aqueduct Resilience Programme (HARP)

Jemma Parkinson outlined progress with the public engagement programme to inform the preparation of HARP planning applications to be submitted in May/June 2021. Some public

meetings had been held before the COVID-19 lockdown but the focus has since been on using digital methods to engage communities affected by the planned remedial works. Around 69% of responses had been supportive of the proposals, with 11% opposing, primarily due to concerns about traffic and highways impacts.

UU was undertaking a detailed analysis of the consultation results, which will inform the design review, development of the Statement of Community Involvement and the phase 2 consultation exercise planned for early 2021.

The following points were raised in discussion:

- The need to take account of the potential impact of the Government's proposed changes to the planning system, including the emphasis on using digital communication platforms.
- The temporary nature of the highways/traffic issues arising from the HARP programme.
- Besides highways/traffic issues, objections had focused on localised impacts including noise and health and safety concerns.

### **Item 5 – Water Resources West**

Richard Blackwell explained his new role leading Water Resources West (WRW), one of five regional partnerships established to align water resource planning activities against a background of very significant changes in national water needs between 2025 and 2050. He outlined proposals for WRW to develop a long term plan between now and 2023, which would sit alongside and be consistent with member water companies' individual Water Resource Management Plans.

Bernice Law outlined her involvement in a customer engagement group established to look at the work of Water Resources South East, which appeared to be more advanced than in the other regions.

The following points were raised in discussion:

- The importance of engaging with water catchment partnerships and other stakeholders in the work of WRW, as well as emphasising the potential wellbeing and other benefits to communities.
- The need for WRW and other regional groups to consider wider water policy issues around leakage reduction and water consumption/management in taking forward their work.

### **Item 6 – 2019/20 APR review and industry comparative performance**

Emma Dennett outlined the publication of the 2019/20 APR in July, and Ofwat's plans to move the reporting deadline forward to June in 2021. Drawing on analysis of APR information published by other water companies, UU was looking at potential changes to the 2020/21 report to improve the clarity and accessibility of information reported and to demonstrate customer and stakeholder engagement.

An overview was provided comparing water company performance against the new common performance commitments, based on 2019/20 shadow reporting by water companies. It was likely that a more robust comparison exercise will be possible following publication of the 2020/21 APRs.

The following points were raised in discussion:

- The industry comparison exercise was welcomed, as was the way in which complex information had been presented in a clear and accessible way.
- It would be useful to extend cross-industry comparisons to look at social metrics around affordability and vulnerability.

### **Item 7 – CMA provisional findings**

James Bullock outlined the CMA’s provisional findings on the appeals by four water companies against Ofwat’s final PR19 determinations. The main outcome was to change the cost of capital allowance, cost sharing rates, high gearing penalties and ODI incentives in favour of the appellant water companies. The CMA was not, however, proposing to change Ofwat’s approach to cost assessment, target setting and customer engagement.

The CMA decision will have no direct impact on UU or other non-appellant water companies, and leaves the appellant companies still with significant funding gaps for their 2020-25 business plans. Ofwat would not be bound by the CMA decision in future price reporting rounds but it is likely to influence future thinking.

Comments on the provisional CMA findings had been invited, prior to the final decision being published in December 2020. Andrew White explained that CCW will focus on the cost of capital issue in its comments, challenging the CMA reasoning about increased allowances being necessary to attract and sustain investment in water companies.

### **Item 8 – Quarterly performance reporting**

Louise Beardmore outlined the impact of the COVID-19 lockdown in increasing domestic water consumption and reducing business use on performance against the new Per Capita Consumption customer metric. Campaigns were in hand to target customers using large amounts of water, along with plans to introduce a shadow metering programme.

Simon Chadwick focused on the five water and wastewater measures which are showing as ‘Red’. He explained that a number of metrics were showing forecasts below target, based on the expectation of seasonal influences, and this reflects a high degree of caution for early results, pending future validation.

The following points were raised in discussion:

- The need for UU to consider the potential impact of increased water consumption following COVID-19 lockdown on support packages for customers struggling to pay water bills.
- The potential for the monitoring of Treatment Works Compliance to be distorted by the timing of discharges and post-COVID changes in domestic and commercial waste water patterns.

### **Item 9 – Any other business**

#### **a. Terms of reference**

Bernice Law explained that an Ofwat/CCG Chairs meeting was planned on 8 December to discuss future customer engagement, following which revised ToR for the main YourVoice panel would be produced.

#### **b. Social mobility**

Dave Thompson welcomed the work UU was doing to promote its social mobility pledge.

**c. Dates of future meetings**

Meetings were planned on 14 January 2021, 22 April 2021 and 21 July 2021.