

Customer Challenge Group Challenge Log

Mar-19

challenge log 03-19 v2.0

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
1a	14th Sept 16	4	AMP6	CR	Customer Relations	1) How is Affinity Water listening to customer feedback and insight from customers in its diagnosis and analysis of the problems and its judgements as to what needs to be done to improve customer satisfaction?	A report updating on the challenges to be submitted to the CCG at the next meeting in December 2016		Closed	The company has fully responded to the specific challenges posed. Implementation to be kept under review. New challenges may arise in this area. Closed June 17		
1b	14th Sept 16	4	AMP6	CR	Customer service performance (AMP6)	2) When is the company aiming to have made changes which would improve performance and customer satisfaction – and the SIM score?	An update was provided by Amanda Reynolds, Customer Relations Director (Household) to 7 December 2016 meeting. CCG reviewed 2016/17 performance outcomes at June 17 meeting CCG to review 2016/17 performance outcomes including SIM scores at June 2017 meeting and reflected on these in their 2016/17 annual report		Closed	CCG reviewed 2016/17 performance outcomes and performance report for customers at June 17 meeting - closed		
1c	14th Sept 16	4	AMP6	CR	Customer Relations	3) What are Affinity Water's next steps?	Further written/verbal Report provided to CCG March 2017 meeting		Closed	CCG Annual Report April 2017 provided assessment – see note at Log Item 11 below. Closed June 17 meeting		
2	14th Sept 16	5	AMP6	Community	Community Engagement events (AMP6)	AWL should show not only that it has held the community engagement events promised in its business plan but that it has recorded, considered and where appropriate acted on the feedback received from customers through this channel.	A summary Report on community engagement events will be produced for each meeting. A Year 1 Report with learning points seeking CCG views on recommendations for the future approach was provided at the 7 December 2016 meeting CCG annual report April 17 provided assessment (see note at Log Item 15)	AWL to implement approach it set out for 2017. CCG to be advised of dates/locations of 2017 events and keep the programme – and how the company acts on customer feedback through this channel - under review	Closed	to keep progress under review to assure the approach is embedded - see also note at Log Item 15 below		
3a	14th Sept 16	6	AMP6	WSP	Water Saving Programme (AMP6)	1) The CCG noted that the process of Affinity Water undertaking home visits, surveys and water efficiency checks involved the capture of a lot of information about customers, including the number of people in the household, their circumstances – including whether they were vulnerable in some way - and lifestyle. Affinity was asked to outline how it was using this information to improve its service to these customers in future – for example was the information gathered recorded and shared and useable by the customer service team?	An update was provided within the Affinity Water Report for 7 December 2016 meeting. A further briefing and presentation was given to Sept 17 meeting responding to Challenge 13		Closed	Subsumed within Challenge 13 below - consider closing at Dec 17 meeting		
3b	14th Sept 16	6	AMP6	WSP	Water Saving Programme (AMP6)	2) The CCG observed that the communication channels used seemed very paper based. Affinity Water were asked to consider whether they were using a sufficient variety and range of channels as part of this project, including social media, email, and messaging on the side of the Affinity Water commercial vehicles	An update was provided within the Affinity Water Report for 7 December 2016 meeting. See also Challenge 13. The scope of the CCG review of this issue was discussed at June 2017 meeting and the company provided a full response at September 2017 meeting		Closed	Subsumed within Challenge 13 below - closed at Dec 17 meeting		
3c	14th Sept 16	6	AMP6	WSP	Water Saving Programme (AMP6)	3) The CCG asked if the company had undertaken any analysis regarding the 'no contacts', for example looking at socio-demographic data – or known data about landlords/tenure that might identify any patterns. CCG Annual Report April 2017 provided assessment	An update was provided within the Affinity Water Report for 7 December 2016. See also Challenge 13. The scope of the CCG review of this issue was discussed at June 2017 meeting and the company provided a full response at September 2017 meeting		Closed	Subsumed within Challenge 13 below - closed at Dec 17 meeting		
4	14th Sept 16	8	PR19	CE	PR19 Customer engagement - Longer Term Planning	Affinity Water was asked to brief the CCG on: i) how it will engage with customers in the process of developing its next business plan, including when the activity will be undertaken or any research commissioned; ii) how the findings will be used; which customers will be reached; and iii) how Affinity Water will seek contact the range of different customers it has and how it will make use of live operational information	A presentation with supporting documents was provided at the 7 December 2016 meeting. March 2017 meeting - AWL shared outputs from its review of PR14 engagement (by Create 51), shared its PR19 project governance scheme and objectives, plans to commission a contractor to manage and deliver the customer engagement programme and sought CCG input on key questions relating to the approach. In July 2017 a start up meeting was held between AWL, its contractors and the CCG. In September a triangulation meeting was held to consider the outputs of Phase 0 of the project research and the September CCG meeting had a further update on the timetable.		Closed	Subsumed within Challenge 18 below - closed at Dec 17 meeting		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
5	14th Sept 16	9	PR19	WRMP/DMP	WRMP and DMP Consultations (PR19)	Affinity Water was asked to outline how customers would come to know about, and be able to give their views, on any issues affecting them in the WRMP or the DMP	A briefing note on the DMP consultation was circulated and the expected timing of both the WRMP and DMP engagement was covered within the presentation on PR19 customer engagement at the December 2016 meeting. Briefing on the development of the WRMP provided at September 2017 meeting. At the December 2017 meeting the company reported it had submitted a draft WRMP to the SoS. Plans for customer and stakeholder consultation were ongoing and the CCG was given a draft of a consultation brochure for comment with a further draft to be provided in January 2018. At the 11 January 2018 Triangulation meeting the company provided a further draft of questions which it proposed to ask stakeholders and customers. The CCG provided a range of challenges and suggestions on the approach to the questions which are recorded in the note of the 11 January meeting. On 12 March 2018 the company circulated a copy of the 'method statement' for research with customers on the WRMP seeking comments from CCG members. The Company intended to present its final version of the WRMP engagement and consultation materials at the 19 March 2018 CCG meeting. The CCG has provided comments on all WRMP consultation material, these have been reviewed by the Company and responses provided as well as the updated final documents. A log has been maintained showing all the feedback and how we have responded or made changes as a result of the feedback. The company held a meeting with the CCG on 17 May 2018 where a presentation on engagement with customers about long term issues and risks included an account of communication and engagement on WRMP and the DMP.		closed	closed at June 18 meeting		
7	7th Dec 16	6	PR19	Business Plan	PR19 - Developing AWLs next Business Plan	<b>CHALLENGE:</b> AWL to set out its timetable and approach to customer engagement for the PR19 plan so that the CCG can assure that the approach is likely to meet Ofwat's requirements <b>CHALLENGE:</b> AWL to include within its timetable and plan for the PR19 Business Plan information which will help the CCG to plan its work sufficiently in advance to enable members to manage their time commitment to this task CCG Annual Report April 2017 provided assessment	AWL briefed the CCG on its approach to managing the production of its PR19 business plan including customer engagement at the March 2017 meeting. A timetable and plan of for PR19 was provided to the June and September meetings of the CCG		Closed	AWL has discharged the challenge to provide a plan so this challenge is closed - see note at Log item 18 below - closed following Sept 17 meeting		
8a	15th March 17	4	PR19	CE	PR 19 - Customer Engagement	<b>CHALLENGE:</b> AWL should provide more detailed information about the precise nature and timing of different phases of work and activities involved in producing its PR19 Business Plan, and especially the customer engagement that it proposes to undertake across the whole programme, including the production of the DMP and the WRMP, as well as the main Business Plan. The CCG particularly requests that the company <i>outlines the issues and tasks</i> that it intends to bring to the CCG at different points during 2017;	At September CCG meeting AWL outlined the issues and tasks it intends to bring to the CCG across 2017 and 2018 relating to the PR19 Business Plan		Closed	AWL has discharged the specific challenge to identify the CCGs role regarding providing input for the DMP and WRMP closed following Sept 17 meeting		
8b	15th March 17	4	PR19	WRMP/DMP	Drought Management Plan	<b>CHALLENGE:</b> Drought Management Plan - the company was asked to consider how the CCG's role to advise on, challenge and assess the customer engagement on this plan could be enabled, given that the company had already commenced its customer engagement on the DMP	At September CCG meeting AWL outlined the issues and tasks it intends to bring to the CCG across 2017 and 2018 relating to the PR19 Business Plan		Closed	AWL has discharged the specific challenge to identify the CCGs role regarding providing input for the DMP and WRMP closed following Sept 17 meeting		
9	15th Mar 17	2.3	AMP6	Perf	Managing incidents (in response to Company Report on Arkley Incident)	The CCG asked to hear how the Company manages significant incidents and specifically; -how AWL engages with customers during and after incidents, including vulnerable customers; and -how AWL reviews and learns from the incidents to improve customer contact This issue was included in the CCG forward work programme for 2017/18	AWL provided a briefing on handling of incidents to the June 2017 CCG meeting and now includes a briefing on any major incidents in the Company Report to each meeting		Closed	closed at Dec 17 meeting		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
10	15th Mar 17	4	PR19	CE	PR 19 – Engagement Strategy	a) AWL were challenged to provide a clearer picture of how it will use evidence and insight from contacts with customers (operational contacts). b) The CCG suggested the following demographics were included in the design of the customer engagement programme: - Engage with groups aged 55–75 and 75+, not just over 65s as an undifferentiated group of older customers; - Engage with single people, in particular women bringing up children with no partner and widowers; - Engage with vulnerable customers and those on benefits; and that the company approach the segmentation using lifestyle segments instead of traditional socio economic/age/income segments for example perspective and the way customers need to use their water supply.	To be considered and included in the engagement plan		Closed	closed in Dec 17		
11	CCG Annual Report	n/a	AMP6	CR	Customer service / SIM / customer experience improvement	We will be reviewing the 2016/17 performance report in June 2017 [Issues assessed as Amber until outturn report is available to the CCG]	Draft performance report was shared with CCG and discussed at June 2017 meeting. Members were invited to comment on the presentation of the report and a range of suggestions for improvement were made.		Closed	closed at Dec 17 meeting		
12	CCG Annual Report	n/a	AMP6	WSP	Water saving programme	We are not sure yet whether the company is on track to fully achieve the resource savings it has projected in the business plan by 2020. This is important for customers and we would like to review this area in more depth in 2017/18	Performance report discussed at June 2017 meeting . Scope of CCG review of this issue discussed at June 2017 meeting and brief for a company report agreed. September 2017 meeting the company provided a full response/presentation to the questions posed by the CCG.		Closed	closed at Dec 17 meeting		
13	CCG Annual Report	n/a	AMP6	WSP	Water saving programme – effectiveness of communications	We would like to further review this area in 2017/18 so that we can advise whether the company's approach to customer communications is effective in helping to secure the number of meter installations required by the business plan through to 2020. We expect the company will want to ensure that installing water meters results in lasting behaviour change by customers, particularly where per capita consumption is very high and some customers may not be particularly sensitive to price/cost. We would like to look at whether the company's engagement with those customers who are being metered makes an impact, and secures lasting behaviour change.	Scope of CCG review was discussed at June 2017 meeting and the company provided a full response at September 2017 meeting		Closed	closed at Dec 17 meeting		
14	CCG Annual Report	n/a	AMP6	CR	Customer vulnerability	In 2017/18 we would like to review the outcome and effectiveness of the company's Customer Vulnerability Plan, and for that review to inform the consideration of these issues in the next business plan (PR19).	CCG Forward Work plan asks to review this issue at its December 2017 meeting. The CCG decided to subsume this review within the review of proposed performance commitments for Pr19 - a working group on vulnerability (and affordability) was established to review company policy and practice. Brief and terms of reference for a CCG working group to look at vulnerability and affordability to be agreed at CCG meeting Sept 17. It met in September and November 2017 and is due to report to the December 2017 CCG meeting		Closed	closed at Dec 17 meeting		
15	CCG Annual Report - 2016/17	n/a	AMP6	Community	Customer engagement (local events)	The company needs to do more to do to bring the 'community focus' theme of its current business plan to life. Members are not convinced that the approach is fully integrated into the company's communications and engagement with customers, or that the river catchment based 'communities' that are being used resonate with customers, and stakeholders. In 2017/18 we want to hear more from the company about how the community-focus will be further realised and delivered. We expect to challenge the company on whether it will take a community focussed approach to the customer engagement programme to support the development of the next business plan (PR19).	The company presented a report on its community engagement activities to the December 2017 CCG meeting. In February 2018 the company circulated to CCG members a copy of its internal executive team decision document on the community vision from September 2017. The lessons learnt from previous years community events was shared with the CCG in a paper and presentation at the March CCG. The learnings have been used to develop the proposal for the 2018/19 community programme. The PR19 Community Strategy was shared with the CCG at the meeting on the 17th May. The company considers it is looking to make a step change in its approach in the next business plan compared to PR14 and takes into account learning from the AMP6 period. The approach is reflected in the Business Plan and focuses on working with communities which will be defined by customers rather than water resource zones. The company will continue to share progress on the development of the community model with the CCG. Additional customer engagement on the community model will be taking place in November 2018.		Closed	closed at Oct 18 meeting - future challenges in this area in the coming year		
16	CCG Annual Report - 2016/17	n/a	AMP6	CR	Customer communication effectiveness	Although changes to the bill format were only rolled out for metered customers in April 2017 we would like the company to evaluate whether the changes have been effective and reduced billing complaints and avoidable customer contact; assisted and motivated customers to save water, energy and money and encouraged customers to sign up to direct debit payments.	In Autumn 2017 the company consulted CCG members about the content and style of its annual billing leaflet, presenting a draft which drew on CCG feedback made on the 2017/18 billing leaflet. Members made a number of comments and suggestions before the billing leaflet was finalised. Comments were taken on board and further reflections were received from the CCG in early January on the final draft of the leaflet.	CCG had scheduled a review of this issue at its March 2018 meeting. This needs to be reprogrammed. CCG annual report 2017/18 which asks for an evaluation of effectiveness of this leaflet and the changes to bill formats from April 2017.	Closed	closed ay June 18 meeting - new challenge to be created on bill format		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
17	CCG Annual Report	n/a	AMP6	CE	Value for money survey	Whilst the overall result of this survey (a VFM index) was higher in Q3 2016/17 than in 2014 customer perceptions on specific factors such as communication, affordability, trustworthiness and overall satisfaction have all fallen since 2014. We have challenged the company on whether the survey is used and useful, and what difference has it made. We will be asking the company how the insight from this survey will be used in relation to the PR19 business plan.	At the PR19 triangulation meeting with AWL and its customer engagement contractors on 17 September CCG members were given a report which showed that the VFM survey was included in the review of operational and other data the company was undertaking to inform PR19.		Closed	closed at Dec 17 meeting		
18	CCG Annual Report	n/a	PR19	CE	Readiness for PR19 customer engagement programme	The CCG is concerned about an overly complex approach with risks of slippage and compression in the timetable. We have challenged the company to simplify the outline proposals for customer engagement. The full design and delivery of the customer engagement element also remains dependent on the appointment of a contractor to take responsibility for managing, as well as further designing and delivering, this strand of activity. The company appears to lack the in-house skills to direct and manage the customer engagement strand of the business planning process. Whilst an approach to the PR19 customer engagement has been outlined by the company a definite plan will not be available to share with the CCG before July 2017. Slippage or compression in the customer engagement programme within 2017 could reduce the influence that customer insight will have on other strands of the business planning process.	The company has appointed a contractor to manage the customer engagement programme and a 'start up' meeting with the CCG took place in July 2017 at which the approach to the project and phases was explained and the CCG members had an opportunity to challenge. The company briefed the CCG on its plans for producing the PR19 business plan in March, June and September 2017.		Closed	closed at Dec 17 meeting		
19a	14th June 17	3.1	AMP6	CR	Lift Tariff	The forward plan states that the CCG would like to look at how the social tariff is working and what the forward plans are	TP/CCG to provide a briefing paper highlighting the scope of the challenge and what the CCG would like AWL to report on. A brief for the CCG's work to look at vulnerability was planned for consideration at Sept 17 meeting - this review became subsumed within the work the CCG will do on the PR19 performance commitment on vulnerability. At the Sept 17 meeting it was agreed to form a working group on vulnerability and affordability to look at PR19 performance commitments.		Closed	closed at Dec 17 meeting		
19b	14th June 17	3.1	AMP6	WSP	Metering Comms	Metering and Comms awareness (see challenge 6)	See also Challenge 13. The scope of the CCG review of this issue was discussed at June 2017 meeting and the company provided a full response at September 2017 meeting		Closed	from Item 6 - closed at Dec 17 meeting		
20b	14th June 17	4.1	PR19	WRMP/DMP	DMP comms	DMP comms appear not to relate to businesses - how will AWL address this going forward now that the business separation has taken place between household and non-household.	The non-technical summary (consultation document) of the draft Drought Management Plan was circulated to all retailers of our non-household customers in August 2017. No representations were received as a result of this. The WRMP pre-consultation document was circulated to all 23 retailers of our non-household customers in summer 2017. No feedback or responses were received. The non-technical summary (consultation document) was circulated to the 23 retailers in March 2018. We will also send reminder communications at various times during the consultation period. All 23 retailers have been invited to attend the stakeholder forums we are holding across our supply area.		Closed	closed at June 18 meeting		
21	14th June 17	5.1	AMP6	Perf	Handling service disruptions	AWL to consider how successful current methods of communications with customers are in relation to incidents and keeping them informed since sign-up for receiving information by text etc.is currently customer driven	The company provided some data and briefing relating to this in the Company report at the Sept 17 meeting. Company reports to each CCG meeting include a summary of incidents in the previous 3 months. Minutes of Sept 17 meeting record members' observations that incident communications has improved.		Closed	closed at Dec 17 meeting		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
22	13th September 17	4.2	PR19	Business Plan	Outcomes	Affinity Water to review it's proposed Outcomes for the PR19 Business Plan in light of comments from CCG members. Affinity would need to demonstrate and provide evidence to the CCG that the proposed outcomes had been developed with engagement from customers, were supported and understood by customers and they related to the performance commitments in the business plan. If the company wished to use its <i>Customer Charter</i> as the framework for expressing the business plan outcomes the CCG sought evidence it had been tested with customers.	December 2017 CCG meeting the company reported that it would revisit and finalise its high level outcomes at the same time as finalising its performance commitments and outcome delivery incentives and would ensure no misalignment. The report said that the outcomes would be reviewed by the Board in February and brought to the CCG for review in March. Research on our current outcomes was carried out when we tested our pre-SDS that showed support for our current outcomes. Additional our Value for Money survey regularly tests our outcomes amongst a wider list and our four outcomes are consistently a higher priority for customers. The outcomes are also being tested as part of the Acceptability Testing survey and the feedback will be shared as part of the end of phase 2 triangulation report, to be reviewed at the July CCG meeting. . The evidence of support for the outcomes was presented at the CCG meeting on the 13th June as part of the Draft Final Business Plan slide pack - pages 18 - 22. The PCs were also mapped to the outcomes. This was further discussed at the Board on 20th June.		Closed	closed at July 18 meeting		
23	13th December 17	5.1	PR19	CE	CE	The CCG would like to see a succinct and accessible summary of the evidence and insight gathered from customers and other research	The company presented an end of Phase 1 triangulation report at the Triangulation workshop on 11th January. The materials presented included a spreadsheet of all potential PR19 performance commitments together with the relevant evidence and insight, including from operational data and wider research that the company was using to understand customer views on the different aspects of service. The company undertook to maintain a spreadsheet of customer engagement, findings and evidence in relation to each performance commitment being put forward in the BP to enable ready retrieval of relevant evidence. It is now version controlled.		Closed	closed at June 18 meeting		
24	13th December 17	5.4	PR19	Business Plan	ODI	CCG note the Company's decision to not commission any new willingness to pay research at PR19. The CCG asked if the Company has assurance from Ofwat that the approach they were pursuing is acceptable. The CCG will need to consider whether the Company has satisfactory evidence to show that customers support the proposed business plan and performance commitments and are both willing and able to pay what is proposed.	We have recently taken part in a comparative review of PR19 WTP data along with 13 other water companies and have recently received the output of this research. We are currently reviewing the output from this study. Further information on the process is provided in the paper responding to CCG queries of 9th August The CCG report to Ofwat provided an opinion on the extent to which the company's proposals for ODI's reflected customer preferences. As a result this specific matter is closed.		Closed	closed Oct 18 - end of business plan process		
25	11th January 18 - triangulation session		PR19	CE	CE	CCG members queried the weight that could be put on findings derived from the online community as the sample was not representative. As such the company was challenged about the description of the online community as a flagship customer engagement tool.	Phase 1 was designed to 'listen and learn'. The on-line communities provided a ready-made sounding board, a group of willing (already engaged) customers to answer a specific business questions. The Hi-Affinity database was used as a sampling frame meaning that our sample was confined to customers with email addresses and named bill payers. Activities were then subject to non-response (not all Community recruits took part in every activity). Our sample was therefore not statistically representative. By contrast, the surveys run in Phase 2 "test and value" were constructed to be representative as specific costed propositions to customers were available and the need for evidence which could be extrapolated to the entire customer base. The level of weighting applied to the results from the two phases will be reflected in the triangulation report.		Closed	closed at July 18 meeting		
26	11th January 18 - triangulation session		PR19	CE	CE	At the Triangulation Session on 11 January CCG members posed a number of challenges to the company on the interpretation of research and analysis of operational data within Phase 1, and key findings that were being used to develop proposed performance commitments for PR19. The points made are recorded in the note of the meeting. As a follow up to the original challenge in relation to the presentation given at the March CCG meeting the CCG said they would like to understand how this is being used to inform the business plan.	A presentation was given at the March CCG meeting which summarised the key messages that were being received through customer operational data, this was supported by the detailed data reports. The Company will provide the "narrative" to the data presented across the Business Plan report. The Business Plan will be available to share with members by the end of July		Closed	closed at July 18 meeting		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
27			PR19	CE	cost adjustment	<p>Ofwat's Information Notice 18/02 reminded companies that early submissions were requested on any cost adjustment claims, by 3 May 2018. Companies are asked to submit appropriate evidence to support any cost adjustment claims including:</p> <p>'where appropriate, is there evidence-assured by the customer challenge group (CCG) – that customers support the project?'</p> <p>'does the proposal deliver outcomes that reflect customers' priorities, identified through customer engagement? Is there CCG assurance that the company has engaged with customers on the project, and this engagement [has] been taken account of?'</p> <p>As at today's date we have not had any notice that the company is intending to make any cost adjustment claims. If the company is intending to make any cost adjustment claims which require relevant assurance by the CCG proposals need to be provided to the CCG with relevant information and evidence in sufficient time to enable a meaningful assurance activity to take place.</p>	<p>The Company has submitted five cost factors for wholesale, High Occupancy, Treatment Complexity, Regional Wage Costs, Retail transience and Sundon Park Treatment works. Details are available to review.</p> <p>The Special Cost Factor for Sundon was discussed with the CCG chair at a meeting on 25 April, along with the rationale for the project being a special factor as a consequence of and driven by probable environmental and water quality requirements.</p> <p>The cost to implement Sundon Treatment Works was included as part of the phase 2 bill acceptability testing. In the phase 3 acceptability testing, the online survey includes a specific question on asking for support for the Sundon project.</p>		Closed	closed at July 18 meeting		
28			PR19	CE	Acceptability Testing	<p>CCG would like the Company to outline how it is following CCWater's guidance on acceptability testing. In particular to test 'how acceptable the overall bill impact is, including a realistic assessment of ODIs and inflation. For water only companies this would also include sewerage charges'</p>	<p>Research has been developed on bill levels incorporating ODIs and inflation. This was not included in our phase 2 acceptability testing. As part of Phase 3, the Final Bill is being tested with customers in a representative on-line survey. The questionnaire includes inflation, sewerage charges and bill impact of ODIs. Feedback on the questionnaire has been received from CCG and CCW and the challenges reviewed and reflected in the final version. See also challenge 37</p>		Closed	closed at July 18 meeting		
29	Mar-18	members' session	PR19	CE	CCG Framework	<p>The CCG reviewed AWL's level of customer engagement against their CCG Framework (based on Ofwat's Aide Memoire) at the March 18 meeting and assessed each item as red/amber and green. The CCG raised challenges against the red items at that time:</p> <p><b>3. Has evidence and insight obtained from customers genuinely driven and informed the development of the Business Plan</b></p>	<p>The CCG report to Ofwat provided an opinion on the extent to which the company's plan had been driven and informed by insight from customers and customer preferences. As a result this specific matter is closed.</p>		Closed	closed Oct 18 - end of business plan process		
31	Mar-18	members' session	PR19	CE	CCG Framework	<p>10. Has the Company effectively informed and engaged customers about its current performance and how this compares with other companies in a way that customers could be expected to understand.</p>	<p>Following challenge from the CCG, comparative data has been provided in the Business Plan consultation document for all comparable PCs. Graphs of the Companies current performance over the last few years against other Companies in the industry have been included in the document.</p> <p>In the phase 0 signpost focus groups, we included comparative data on leakage, PCC and bill levels. This wasn't included to lead the conversation with customers as we chose not to share too much on our performance in the early stages of engagement</p>		Closed	closed at June 18 meeting		
32	Mar-18	members' session	PR19	CE	CCG Framework	<p>The CCG reviewed AWL's level of customer engagement against their CCG Framework (based on Ofwat's Aide Memoire) at the March 18 meeting and assessed each item as red/amber and green. The CCG raised challenges against the red items at that time:<b>13. Performance commitment levels - CCG view on how the Company has approached this, including whether there has been customer engagement and whether the proposed levels are sufficiently stretching. (see also challenge )</b></p>	<p>PCC stretch was discussed at the June CCG meeting with Mike Pocock presenting.</p> <p>A more detailed presentation on the PCs and the level of stretch will be provided at the July CCG meeting</p> <p>A detailed response to the levels of stretch was shared with the CCG chair at a review meeting in early August, this was documented in a paper (9th August) subsequently shared with all members. This was also addressed in the Business Plan The CCG provided an opinion on this issue in its PR19 report to Ofwat. As a result this specific challenge can be closed. .</p>		Closed	closed Oct 18 - end of business plan process		
33	Mar-18	members' session	PR19	CE	CCG Framework	<p>The CCG reviewed AWL's level of customer engagement against their CCG Framework (based on Ofwat's Aide Memoire) at the March 18 meeting and assessed each item as red/amber and green. The CCG raised challenges against the red items at that time:<b>18. Resilience - has the company's assessment of resilience been informed by engagement with customers so as to understand their expectations on levels of service, their appetite for risk and how customer behaviour might influence resilience.</b></p>	<p>see response to challenge 30. The CCG provided an opinion on this issue in its PR19 report to Ofwat. As a result this specific challenge can be closed.</p>		Closed	closed Oct 18 - end of business plan process		
34	02/06/2018	e-mail	PR19	PC	Supply Interruptions	<p>CCG ask the Company to confirm its intentions in relation to the supply interruption performance commitment. It may be that the company considers the performance commitment is similar to one of the new common performance commitments. If this is your reason for removing the commitment could you explain how the common performance commitment relating to supply interruptions will enable the identification of the number of properties that have been affected by an unplanned interruption that lasted more than 12 hours. Given that performance across three years in AMP6 suggests there is a significant problem, when actual performance is compared to the commitment made to customers, it is difficult to see why this issue should not continue to be a commitment to customers.</p>	<p>This was covered as part of the July CCG meeting where we will be presenting our proposed final PC framework which will cover supply interruptions and the level of stretch. (see challenge 32) The CCG provided an opinion on this issue in its PR19 report to Ofwat. AS a result this specific challenge can be closed.</p>		Closed	closed Oct 18 - end of business plan process		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
35	28/06/2018	e-mail	PR19	Final Bill survey	additional investments	Challenge provided on draft survey for final bills - setting out potential costs of possible investment projects (a reservoir and a desalination plant). The most prominent issue is that some of the questions in this survey ask customers for views of the bill impact of 3 investments which had not been explored with customers earlier in this process, even at the level of general attitudes to increasing bills to invest in additional water resources. Because the bill impact was not actually in the draft questionnaire circulated it was not possible to form a judgement about the materiality of impact, and therefore whether the customer engagement proposed - essentially one question on each item (Q8, 9 and 10) - was appropriate and proportionate to the materiality. Other points made by email.	<p>It is agreed that it is not appropriate to introduce questions on specific projects without providing context around the schemes to give customers sufficient evidence with which to make an informed decision. Further review of the dWRMP is also needed to provide more certainty around the schemes proposed and the level of work to be brought forward into AMP7. It has therefore been agreed to test the bill associated with two different packages, the "core" package, and the "additional resilience" package. Phase 3 will now be structured as follows:</p> <ul style="list-style-type: none"> <li>• Quantitative survey – testing customers acceptability of the bills and ODIs against the "core" package (i.e. as presented in the acceptability testing)</li> <li>• Qualitative work – Using the existing 'customer insight' focus groups to extend discussions on resilience</li> <li>• Quantitative survey – using the insight from the qualitative sessions to shape and influence the quantitative research testing customers acceptability of an additional sum added to their bill to fund long term resilience projects</li> </ul> <p>Feedback from the quantitative survey on the "core bill" was shared w/c 29th July. Feedback on the additional resilience projects through qualitative insight from customer insight groups and the quantitative survey was shared with members in mid August. A final triangulation session to incorporate the results from this work was carried out on the 14th August and the results reflected in V5.0 of the Business Plan. The CCG has commented on the evidence of affordability and acceptability in its PR19 report to Ofwat therefore this specific challenge can now be closed.</p>		Closed	closed Oct 18 - end of business plan process		
37	28/06/2018	e-mail	PR19	Final Bill survey	final bill	In response to a draft questionnaire on potential investments in additional resources at a late stage in plan development the company was challenged on presenting only these elements to customers and not presenting the overall package that they would form part of. For example, Qs 5, 6 and 7 (but it also relates to Q 11) Why is the company not re-presenting all the plans called J K and L that appeared in the business plan acceptability testing? It is difficult to regard this as a meaningful exercise because if customers find the plan with bill inflated and the relevant sewerage bill forecast included unacceptable there is no alternative presented. What is the point? In what way are the results capable of being influential on plan choice?	<p>Responses to the questions raised were provided in the "Bill briefing" note circulated on the 22nd August. The CCG commented on issues related to affordability and acceptability of the proposed bills in its PR19 report to Ofwat therefore this specific challenge can now be closed.</p>		Closed	closed Oct 18 - end of business plan process		
38	29/07/2018	TP e-mail	PR19	PCs	bursts	<b>Mains bursts</b> – the company told us in the paper tabled at our meeting on 18 July that the business plan target is to <b>maintain</b> performance at 3,100 bursts per annum. We note that this level of performance has been the same in the Business Plans for AMP5 and AMP6, therefore the level of performance will have remained the same – i.e. not improved – for a period of 15 years. We also note that the current business plan, AMP6, included an increase in renewal of trunk mains, and a 'hot spot' mitigation programme and improved forecasting. Taken together with a continued level of distribution mains renewal set out in the AMP6 business plan it might be arguable that customers should expect to see an improvement in performance, rather than simply maintenance, in the next 5 years. Could the company please outline what proportion of trunk and distribution mains has been renewed in AMP5 and will have been renewed in AMP6, by 2020 and therefore what proportion of those distribution systems will be less than 10 years old by 2020. Please include the base figures for the size of these networks at start of AMP5 and start of AMP6 so that it is possible to see what proportion of the network is new in each of those periods and what proportion has been renewed. Could the company explain why it does not consider it is reasonable for the performance commitment to be improved for AMP7 even as a result of the increase in renewals in AMP6?	<p>see response to the level of PC stretch in item 32. The response is covered in the paper in response to CCG queries of 9th August 18 The CCG commented on the issue of how stretching the PCs are in its PR19 report to Ofwat and therefore this specific challenge can be closed.</p>		Closed	closed Oct 18 - end of business plan process		
40	29/07/2018	TP e-mail	PR19	ODIs	customer engagement	<b>'ODI's</b> As you know the CCG has to give an opinion on whether the proposed ODI payment rates <b>reflect customer</b> preferences. We have not been given any evidence to date which supports this. We are aware that the acceptability to customers of a single set of proposals is being undertaken with quantitative research with customers. However, that will only prove, if it does, that the single proposal is acceptable. Customers have not been given an opportunity to influence decisions in a way they could be reasonably expected to understand. The 23 July version of the Business Plan says, pages 155 and 156, says that the company has undertaken analysis to establish the value that customers place on different service attributes – their preferences and priorities. This is what we understand the description of the 'Bottom Up' approach in that version to be saying. Page 156 goes on to say how important this aspect of analysis is because it provides <i>'an absolute valuation of service attributes they also provide a relative valuation between service attributes. This is particularly important in establishing our overall ODI proposals as it is very important that incentives reflect customer preference and priorities, in this case expressed implicitly through the relative valuation of service attributes'</i> . <b>Could the company please share with the CCG, and include in its business plan, the high level and clearly explained output and key findings of that analysis, and show how the proposals for ODIs in the business plan relate, at all, to customer preferences.</b>	<p>The relevant benefit valuation for each PC was provided in the paper of 9th August responding to challenges on ODIs and PC stretch. WTP research and EA studies is fed in to this valuation as well as customer priority. Due to the complexity of the work, the specific customer engagement was done on the overall impact of the "suite" of ODIs. The CCG commented on the issue of whether there is evidence that ODI proposals reflect customer preferences in its PR19 report to Ofwat and therefore this specific challenge can be closed.</p>		Closed	closed Oct 18 - end of business plan process		

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
41	29/07/2018	TP e-mail	PR19	ODIs	£ per annum on under/over performance	<p>We note that in its discussion of the pros and cons of the 'top down' approach on page 156 of the 23 July version of the business plan the company says it has used customer preferences to divide the total value of the proposed incentives between different performance commitments so the company must have a simple list of service features ranked in order of customer priority and preference that it can share with us, Ofwat and customers, to provide assurance. <b>Finally could the company please indicate what the actual values in £ per annum are that customers would ideally place on performance and underperformance in relation to different aspects of service and explain how this compares to the value(s) the company is actually proposing. This is so that we can see how far the proposed values align with or meet customer expectations or not.</b></p> <p>The simple interpretation of the 23 July version of the BP is that there is a significant gulf between customer preferences and the Ofwat policy (the top down approach) and that the company has decided to adopt and not go above the Ofwat policy of an indicative maximum value of ODIs of +3% of RORE. Without full disclosure by the company it is not possible to see how far short of customer expectations this decision is.'</p>	see response to item 40. The CCG commented on the issue of whether there is evidence that ODI proposals reflect customer preferences in its PR19 report to Ofwat and therefore this specific challenge can be closed.		Closed	closed Oct 18 - end of business plan process		
6	7th Dec 16	4	AMP6	WSP	Metering (within the item on Affinity Water Report) (AMP6)	CHALLENGE: The CCG questioned how far the contact with customers during the metering programme is identifying and capturing information about the tenure of customers and if so, how that information is being used by AWL, for example to make contact with landlords where they have difficulty gaining access or agreement to the installation of a water meter	Where we have to contact the Customer or landlord to gain consent we take details and add them to the QOS code and then follow up with the landlord. We don't currently have a separate field for ownership of the property so we are unable to filter or report on this currently.	To review capturing more details in this area.	Open	to keep CCG updated with developments in this area	AMcl	
20a	14th June 17	4.1	AMP7 mobilisation	WSP	behaviour change	Evidence requested on how AWL is engaging with customers who need to change their water use behaviours. How is the company evaluating whether there has been a change to water use patterns	See also Challenge 13. The scope of the CCG review of this issue was discussed at June 2017 meeting and the company provided a response and briefing on the water saving programme at September 2017 meeting. However, the CCG sought further information on the impact and effectiveness of behaviour change. The September 2017 CCG minutes recorded an action for the company to set up a group with CCG members to draw on members' advice. Company report to December 2017 CCG meeting reported on the take up of Keep Track of the Tap campaign web hits and requests for water saving devices. Prompted awareness of the campaign was 15%. Several CCG members have again offered at their December 2017 and March 2018 meetings to assist the company with advice, for example through a working group.	The Company is developing a plan for a water efficiency programme which will bring together key areas of the business including its Water Saving Programme and behavioural change campaigns. A draft terms of reference for the sub group was discussed the the December 18 meeting and 3 members agreed to be part of this group. The Company is to confirm the scope of the programme of work.	Open	AWL restructure of team, head of PCC being recruited. Revised plan and ToR for group to be confirmed by next meeting	AMcl/AR	May-19
30	Mar-18	members' session	PR19	CE	CCG Framework	<p>The CCG reviewed AWL's level of customer engagement against their CCG Framework (based on Ofwat's Aide Memoire) at the March 18 meeting and assessed each item as red/amber and green. The CCG raised challenges against the red items at that time: <b>8. Has the Company engaged effectively with customers on future and long term issues, including trade offs and risks, in a way that customers could be expected to understand?</b></p>	<p>The Company responded to this challenge at a meeting of the CCG on the 17th May. CCG further challenged the risks in achieving the PCC figures in both the preferred and alternative plans, requesting the top 5 risks and their dependencies. A briefing note on the risks built in to the supply/demand modelling for the dWRMP was shared with members following the CCG meeting on the 13th June. An update on long term issues and risks was expected to form part of the presentation of the revisions to the dWRMP at the July CCG meeting.</p> <p>AWL provided a report based on the model scenarios run and the level of risks built in at the June CCG meeting</p> <p>Long term risk and resilience is being addressed as part of Phase 3 customer engagement through some qualitative work through customer insight groups and a quantitative survey on the impact to customer bills of projects to address these risks. Initial testing on long term resilience projects also was included as part of the signpost focus groups in phase 0.</p> <p>A presentation has been shared (10th Aug) with the CCG setting out the evidence in response to this questions and also question 18 on resilience. The information from this paper is reflected in the BP.</p> <p>Subsequent to the submission of the Business Plan the company started to develop plans to undertake 'further consultation' on the WRMP and resubmit the WRMP to government in Spring 2019. The BP committed to 'further consultation'. At the October CCG meeting it was agreed to form a sub-group to consider, advise on and challenge the company's plans for further consultation.</p>	<p>The pre consultation phase of the revised dWRMP programme reviews the long term issues and proposed options. The pre consultation has completed and the further consultation was launched on 1st March. The feedback from the consultation will be discussed at the sub group meeting in May. This also subject to an action in the Ofwat's IAP, a response to this will be reviewed at the meeting in March and submitted as part of the return on the 1st April</p>	Open	CCG response will be provided in their report on IAP actions to be submitted on 1st April	MI	Apr-19

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
36	28/06/2018	e-mail	PR19	Final Bill survey	additional investments	When asked to review a draft questionnaire on potential investments in water resources, at a late stage in plan development, a number of challenges were posed by email. Comments included that the approach (Qs 8/9/10) to establishing that customers support the projects was extremely minimal, to the point of it being only a box ticking exercise and not in keeping with the approach to customer engagement that Ofwat set out as long ago as May 2016. There is no exploration of alternatives or preferences, or assurance that the commitments to build something represent the lowest cost/best value for customers – and there is not even such a statement in the survey. The company was challenged on the adequacy of the proposal to only test customer support for a proposal to BUILD a reservoir with one question in an online survey – regardless of the materiality.	Due to the ongoing discussion with stakeholders on the schemes proposed and the level of work to be brought forward into AMP7 the reference to specific schemes has been removed, see revised methodology above. Discussions on the risks and long term resilience needs will be held around the collaborative solutions to the regional issues. See also challenge item 35. As the long term resilience schemes are still to be detailed, specific costs have been removed from the survey. The survey focusses on the appetite of customers for the additional costs needed to maintain long term resilience. Reference is made to the development of schemes in the next 5 years Further engagement on the long term issues to be reviewed as part of further consultation on the revised DWRMP which was promised in the BP submitted to Ofwat. A paper was tabled on the further consultation and discussed with the CCG in its meeting on the 22nd October.	The pre consultation phase of the revised dWRMP programme reviews the long term issues and proposed options. The pre consultation has completed and the further consultation was launched on 1st March. The feedback from the consultation will be discussed at the sub group meeting in May.	Open		MI	May-19
39	29/07/2018	TP e-mail	PR19	BP	Atkin's independent report	'At AMP6 Business plan (see page 254) the CCG asked the company to obtain an independent report from Atkins to identify any material changes that had been made in the final business plan, highlighting for the CCG the changes, impacts and consequences. This was due to the parallel working and submission of the BP and the CCG report. Could a similar report be arranged for the CCG to receive after AWL has finalised the AMP7 Business Plan.'	This is to be reviewed	AWL to confirm if this will be available	Open		LS/CO	Apr-19
42	22nd Oct 18	3.2	PR19	WRMP	rdWRMP further consultation	In discussion of the company's proposals for further consultation on the WRMP the CCG challenged the company to set out clearly what specific matters customers were being consulted about in a meaningful way, for example, which options they were being asked to indicate a preference for and how the findings were capable of influencing the final WRMP given that the company had also said that its business plan submission was not changing.	The sub group met on 20th november. A pre-consultation phase has been introduced to focus engagement on the long term resilience options, PCC, drought and strategic options. The materials for the first phase of the pre-consultation were shared and reviewed. A 2nd phase of more detailed engagement followed where cost, environmental and social impact was discussed. The further consultation and campaign has been reviewed with the sub group and changes made to language and consistency. The further consultation is considered to be an endorsement of the revised draft plan.	see Item 36	Open		MI	May-19
43	22nd Oct 18	3.2	PR19	WRMP	rdWRMP further consultation	In discussion of the company's proposals for further consultation on the WRMP the CCG challenged the company on its proposed timetable for considering customer views which did not seem to provide enough time for reflection by the company and the Board before finalising their decisions. This suggested that the consultation might not be meaningful and that customer views might not be a primary driver of decisions. Could the company provide assurance as to how customer views will have full consideration and a meaningful influence over the final WRMP.	Sub group members have provided useful review and challenge of the customer/stakeholder research as part of the pre consultation and further consultation.	Triangulation of all the feedback received from the pre and further consultation will take place in early May. This will be shared and discussed with the sub group at the meeting on the 13th.	Open		MI	May-19
44	22nd Oct 18	5.1	AMP7 mobilisation	Community	leading community focus	The CCG challenged the company to outline how it would identify, for example from benchmarking/comparisons, how it was achieving its aim to be 'the leading community focussed water company' and to define what 'leading' means. So far this element of the company's vision does not appear to have been defined for the business.	Focus groups have been held to review the measurement framework in order to help our customers better understand how we contribute to the communities they live and work in. The measurement framework will allow customers to hold us to account on performance, using metrics that they understand and value.	Feedback from the focus groups and from 121 interviews has led to a review of the measurement framework, an update will be provided at the May meeting.	Open		LS	May-19
45	11th Feb 19	RMP sub g	PR19	WRMP	rdWRMP further consultation	The CCG sub group challenged the company: To show that its timetable for the consultation allows sufficient time for proper consideration of the feedback from customers and stakeholders before the Board is asked to sign off the submission To set ambitious targets/performance indicators for the consultation and engagement exercise To make the consultation and engagement materials/collateral consistent in approach To approach the consultation and engagement materials in a way that is designed to get responses – ie by setting out very clearly a 'call to action' or burning platform around water resources To email customers directly to tell them about the plans and the opportunity to get involved	Very helpful feedback has been received from members of the sub group on engagement materials and the consultation campaign. Many changes have consequently been made, each point raised has been recorded alongside the Company's response. This is available to support evidence of the CCG's advice, review and challenge.	The pre consultation is complete. The further consultation and campaign run between the 1st March and 26th April. A triangulation exercise will take place and the sub group will meet on the 13th May to review findings.	Open		MI	May-19

LOG ITEM NO.	WHEN RAISED	AGENDA ITEM No.	AMP6/ PR19	Category	SUBJECT	CHALLENGE(S) RAISED	RESPONSE/ ACTIONS TO DATE	NEXT STEPS	OPEN/CLOSED/ REFERRED	Comment	Responsible	Date
46	21st Feb 19	e-mail	PR19	IAP	AV.A1 & A2	<p>The CCG recognises that this is very complex piece of research that has been shoehorned into a very short timeframe to meet Ofwat's requirements. That makes it difficult to find enough time to hone the questionnaire and get it right. However the CCG has the following challenges:</p> <p>Some of the questions are one-sided and seem to be seeking to drive the responses you are looking for</p> <p>we would really have like to see an endeavour to understand better customer views on the balance between risk and rewards/contribution and outcome.</p> <p>There is little in this that will offer much if any in the way of meaningful insight into consumer views.</p> <p>Consider testing scenarios in which the company commit to increased investment in various areas to see how this alters customer views on the acceptability of bill charges.</p> <p>We understand that you are planning a Phase 2 of research that will seek to gain more meaningful insight. Ideally, you would be working up a strategic plan across the phases now that puts Phase 1 into context even if you can only action Phase 1 in time to mean Ofwat's deadline. The lack of strategic clarity is possibly the greatest concern here.</p>	Feedback from the the CCG has been reviewed and where possible taken into account in the final survey	The findings from the survey and the results from the triangulation exercise will be discussed at the March CCG meeting. Plans for the phase 2 research will be presented post 1st April.	Open	CCG response will be provided in their report on IAP actions to be submitted on 1st April	LS/KT	Apr 19 and May 19