

Customer Challenge Group
Minutes of a meeting held on
7 December 2016
at
The Pullman St Pancras, London
Commencing at 14:00

Members Present	Teresa Perchard (TP) Caroline Warner (CW) Gill Taylor (GT) Karen Gibbs (KG) Jonathan Sellars (JS) Keith Cane (KC) Tina Barnard (TB) David Cheek (DC) Scott Oram	Chair Consumer Council for Water Groundwork Consumer Council for Water Environment Agency Town and Country Housing Group Watford Community Housing Trust Friends of the Mimram Glaxo Smith Kline
Attendees	Simon Cocks (SC) Emma Grigson (EG) Chris Offer (CO) Amanda Reynolds (AR) Sarah Clark (SC) Adam Warner (AW) Mike Pocock (MP) Siân Woods (SW) Deryck Hall (DH)	Affinity Water – (joined at 14:50) Affinity Water Affinity Water Affinity Water Affinity Water Affinity Water Affinity Water – (joined at 15.30) Affinity Water - Secretary Consumer Council for Water
Apologies	Gary Clinton John Rumble	Age UK Hertfordshire County Council

1.	PURPOSE & CONSIDERATIONS	
1.1	<p>Welcome & Chair's Introduction: The Chair welcomed everyone to the meeting and introduced the purpose and format of the meeting. The main item was to hear how and when the company planned to engage with customers to prepare its next Business Plan ("BP") so that the CCG could be briefed and consider whether the approach was likely to be appropriate and meet Ofwat's expectations for customer engagement.</p> <p>ACTION CCG Members were asked to advise Siân Woods if they wished to receive hard copies of the papers for CCG meetings.</p>	SW
1.2	Apologies were received from Gary Clinton and John Rumble and the Chair confirmed there were no observations or comments regarding the papers to pass on	
1.3	There were no conflicts of interest identified	
1.4	TP reported that further members were being approached to join the group with specific environmental knowledge/involvement along the South coast (Dour), and debt advice experience	
2.		
2.1	<p>Minutes of the Previous Meeting: The minutes of the meeting held on 14 September 2016 were APPROVED subject to some minor amendments</p> <p>ACTION Amend the minutes for the Chair's signature ACTION Upload minutes to the CCG website</p>	SW SW

2.2	<p>Review progress of Actions: The actions from the previous meeting were noted as 'completed' or 'in progress'</p>	
2.3	<p>Review of Challenge Log: The members confirmed they were happy with the format of the Challenge Log taken from the previous minutes and for it to be published on the website in due course.</p> <p>ACTION Insert a column to show when the item is closed ACTION upload onto the CCG website</p>	<p>SW SW</p>
<p>3. 3.1</p> <p>3.2</p>	<p>Chair's Report: The content of the Chair's report was NOTED</p> <p>Member's Reports: GT: reported to the members that Groundwork is continuing to work with AWL on proposed geomorphology work to the river in Luton as part of the Catchment Partnership work. Also that Groundwork had met representatives to talk about AWL Community Champions role and feels that this should link well to the work of the Catchment Partnership and our volunteers looking at water quality monitoring.</p> <p>Gill also referenced that Groundwork East and South as catchment hosts have developed a three year plan to tackle Invasive Non Native Species (INNS) on the upper part of the Colne - through mapping the issue clearly, approaching landowners re action and training and supporting volunteer groups to tackle the issue over the long term. INNS is a national issue which catchment partnerships are trying to tackle but that water companies also have some responsibility for. Bids for support have been submitted to the Environment Agency and a funder via the landfill communities fund and we would also like to meet AWL to discuss the opportunity to become involved. EG supported this suggestion.</p> <p>KG: reported that there have been 2 recent reports published by CCWater - 'Delving into Water' (a summary of which relating to the key data about Affinity Water had been circulated to the group) The second report is of research about Southern Water's metering programme which looks at how customers feel now the process has been completed. This information is on CCWater's website. They are a useful reference source and comparative information. A brief discussion was held regarding social tariffs and comparing companies;</p> <p>ACTION send through a link to both documents to all attendees</p> <p>CW: updated the group regarding the quarterly meetings that take place between CCWater and AWL. From these, CCWater considered that there has been significant activity on the part of the company to look at the underlying causes of increased complaints and reduced customer satisfaction. Actions had been identified and these will ultimately improve the customer experience; JS: reported that the Environmental Agency is gearing up for PR19;</p> <p>ACTION to email the EA timetable around to all attendees</p> <p>TB: reported that following an action from the previous meeting, Nigel Beaven had met with her to discuss the installation of water meters, however, it is clear there was no real awareness of the position of housing association tenants and she considered that AWL could do more to engage with Housing Associations about the metering programme and other issues relating to housing association tenants.</p>	<p>KG</p> <p>JS</p>
<p>4. 4.1</p>	<p>Affinity Water Report A report from the company had been circulated. Members were asked if they had any questions or observations on it:</p> <ul style="list-style-type: none"> • DC commented further on the suggestion that the company should use communications messages on the side of vans to improve customer awareness of the metering programme - the messages should be very short 	

and punchy;

- The chair was pleased to see the report identified that the company was undertaking socio-economic profiling in relation to the metering programme as it may help with AWLs understanding of the 'no access' issues and capturing of wider information from visits;
- AR confirmed that the home water efficiency checks identify customers that could be in vulnerable positions, that the data is contained within an app, but the company was working on extracting this information. AWL is aware of the need to capture this information securely and AR confirmed that the system captures information regarding tenures i.e social housing or private rented;

CHALLENGE TP 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.

ACTION AWL to look at whether and how it communicates with landlords as part of the metering programme

AR

The Group agreed to keep this item on its CCG agenda to seek reassurance that AWL is doing enough to reach and work with landlords as part of the metering programme

ACTION Add 'AWLs communication with landlords' to the March agenda

SW

It was **noted** that the Customer Feedback slide deck had been distributed and read by members. AR highlighted the following key areas:

- **Rant and Rave:** AWL was receiving significant increases in the volume of feedback from customers via this system, and was making more rapid use of the feedback as part of its customer experience improvement programme.
- **Speech analytics:** AWL now have a recently trained new team who are able to operate this, enabling more rapid analysis of the Rant and Rave feedback from customers;
- **SIM survey:** AWL is currently working with BMG who undertake the survey work for Ofwat to commission four additional surveys across the year to increase the volume of customer feedback available to the company;
- **Customer Events:** this feedback is now in one place and being shared;
- **SIM:** results can be volatile because of sample sizes and the unwanted contact and complaints correlation is not really clear, although 2016/17 has seen a decrease. Engineering activity has increased which generates more contact. AWL is looking at how this is measured and what is the appropriate level of time to repeat contact. The next SIM industry league table is available on 16 December 2016;

In discussion the company was asked what measures were working to improve customer satisfaction/reduce dissatisfaction.

- CW reported that AWL has been working hard at reducing customer complaints and it is encouraging that they have recognised the influence that contractor's actions have on customer dissatisfaction and are focussing on that.
- The Chair **noted** that the CCG can take reassurance in the amount of work going on in AWL, and in particular CCWater's view that the changes being made are having a positive effect;
- AR explained that AWL is part of an industry working group assessing the effectiveness of SIM and this is assisting the company to identify wider insight.

ACTION AWL was asked to provide the numbers of customer complaints made by

AR

	different methods.	
	PR19	
5. 5.1	<p>CCWATER – Presentation:</p> <p>DH was welcomed to the meeting. A presentation had been distributed to members in advance. Based on a review of water company practice at engaging with customers for the last price review (PR14), the presentation gave members a briefing on the type of approaches that had been taken to engaging with customers. DH highlighted a number of points with regard to the question of what 'good customer engagement looks like' and how companies should ensure their future business plans reflect customer priorities:</p> <ul style="list-style-type: none"> • Customers will want more of a mixed plan/when making choices and giving their feedback; • CC Water would expect the company to talk about the Output Delivery Incentives (ODIs) that it is proposing, and to seek customer views on those; and • Willingness of the customer to pay and their <u>ability</u> to pay should both be explored. <p>ACTION DH will distribute the CCWater report on customer engagement at PR14</p>	DH
6. 6.1	<p>Developing our next business plan:</p> <p>CO took the CCG through a presentation on how the company had developed its current business plan for the last Ofwat price review – PR14. This showed the timing of different phases of developing that plan, and the points at which customer research and engagement was carried out. The approach taken to PR14 will form the foundation for the company's PR19 engagement plan. Key points noted by Chris were as follows:</p> <ul style="list-style-type: none"> • The first phase was listening and learning and establishing outcomes in the broadest sense in order to engage with customers in a meaningful way. A baseline survey was undertaken for perceptions of AWL as a water company and took themes from these responses. The questions were sufficiently broad enough to cover all stakeholders like DEFRA and the EA; • AWL anticipated that the customer outcomes of the next business plan would represent an evolution from those in the current business plan. AWL would not be looking to 'start from scratch'. At PR14 the company needed to establish baseline research whereas for PR19 AWL was already much further ahead, and need to carry out less preliminary research. • Planning for PR19 was 6 months ahead of where the company was on the last business plan engagement programme. • The company intended to adopt a phased approach as this meant important milestones and gateways can be met whilst enabling the engagement activities to be assessed and evaluated as the company progressed towards a final business plan; • The CCG has an important role to test and challenge AWL's research techniques, findings and conclusions throughout the work to develop the next business plan; • At the end of each of the phases for PR19, AWL carried out a validation exercise to critically assess the research findings and the CCG contributed to this process. The CCG was also consulted prior to research questions going out, the results were then shared with them and they were invited to see if the results were being used appropriately i.e as part of the validation process. CO indicated he 	

	<p>would expect the same approach for PR19;</p> <ul style="list-style-type: none"> • CO confirmed that the CCG will also be asked to review documents used as part of the customer engagement process for PR19; • CO indicated that a lesson learnt from PR14 was that it was critical to show the company had evidence that it had engaged with customers, and could demonstrate how it had changed the plan in response to customer feedback; <p>The CCG thanked CO for his presentation. It was helpful to have a briefing on how the company had approached the PR14 business planning and customer engagement process. The Group nevertheless agreed that it was important for the company to set out clearly and soon its timetable and approach for the PR19 plan.</p> <p>CHALLENGE: 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</p> <p>CHALLENGE: AWL to include within its timetable and plan for the PR19 BP information which will help the CCG to plan its work sufficiently in advance to enable members to manage their time commitment to this task</p> <p>The members AGREED that even with good advance information from AWL about its plans (as requested by the CCG) some issues and documentation may need to be reviewed by sub-sets of the CCG main group in order to expedite responses for AWL. Decisions about this would be made once AWL had provided further details of its plans for 2017 and 2018.</p>	CO
<p>7. 7.1</p>	<p>Customer Engagement for PR19: SC tabled 2 documents to the CCG to support her presentation of AWL's proposed time-table for the PR19 Business Plan:</p> <ol style="list-style-type: none"> 1) Customer Engagement Timetable: highlights the previous PR14 timetable and the proposal for PR19 from January 2017 - September 2018; and 2) Overview/signposts for phases 1, 2 & 3: highlighting operational level issues, tactical level issues and strategic level issues. SC made a number of points: <ul style="list-style-type: none"> • AWLs starting position was that it had done a really good job last time – the implication being that it would seek to repeat the approach; • The company was currently in the exploratory phase; • It was the intention to build the detail behind the activities shown on the tabled papers; • The company was aware of the need for it to consider and engage with stakeholders and customers on longer term issues such as resilience and intergenerational equity, and this explained the 'signpost' spread in the pre-Strategic Direction Statement presented to the CCG in September; • The company was running a procurement process to appoint one or more partners to help it to deliver the customer engagement for the next business plan; • The company felt it had sufficient time to get this done and engage with customers as it was ahead of where it was in process for PR14; • The company was proposing to do an element of triangulation at the end of each phase and would ask the CCG what they thought. CO explained that this still needs to be determined i.e. does it inform, 	

	<p>influence or just provide insight and how does AWL bring it together in an assessment form. The approach it had adopted for PR14 was effective, but this time around there would be more ways for customers' information to be gathered.</p> <p>The Group noted that customer engagement about the Drought Management Plan (DMP) engagement would happen before the CCG's next meeting. This was of concern to the CCG because limited information had been given to the CCG about the nature of the customer engagement activities the company planned, although the company had reported that there would be 14 areas of change in the new plan. Whilst the DMP (and WRMP) are statutory plans, and there may be limited discretion if there were choices that affected customers and customer bills and which customer views could influence, the CCG would expect there to be appropriate engagement. MP agreed that it was important to set up an agreed process as to how AWL will provide the CCG with information and access as all the research undertaken for the DMP and WRMP will link together to help formulate the completed business plan;</p> <p>CHALLENGE: 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 outlines the issues and tasks that it intends to bring to the CCG at different points during 2017.</p> <p>CHALLENGE: 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.</p>	
<p>8. 8.1</p>	<p>AOB:</p> <p>The Community Stakeholder Report: AW had circulated a report on the community stakeholder events held by AWL during 2016 evaluating the effectiveness of the meetings and proposing a way ahead. The report was welcomed and noted by the Group. The Group considered the proposed way ahead was sensible.</p> <p>ACTION Members were invited to send any comments or suggestions on how these local activities could be improved further to SW, EG or AW.</p> <p>There was no other business to be discussed and the chair closed the meeting at 6 pm</p>	

I confirm that the minutes above are a true and accurate reflection of the business discussed and agreed at the meeting of 7 December 2017.

Signature Tacem Peun Date 15/03/2017

Chair, Customer Challenge Group