

## YourVoice Challenge/Issues Log – March 2017 to July 2018

Challenge/Issue	Group - Date	Outcome and Impact
<b>A. YourVoice engagement and ways of working</b>		
Establishment of <u>Independent Affordability and Vulnerability Panel</u> – Chair of new Panel should also be a member of the Your Voice CCG.	YourVoice -March 2017	Panel Chair joined YourVoice in June 2017 and the Panel became a formal YourVoice Sub-Group in early 2018. This will ensure consistency and coordination between the two panels.
CESG members should be able to attend <u>UU debrief sessions</u> on completed research projects.	Customer Engagement Sub-Group - June 2017	UU agreed to invite CESG members to attend all customer research project de-brief sessions in future. Will enable CESG to be better informed and engaged in reviewing research results.
CESG members should be invited to attend <u>customer research fieldwork events</u> , such as focus groups and workshops.	Customer Engagement Sub-Group - June 2017	UU agreed to invite CESG members to attend appropriate customer research fieldwork events in future, starting with Immersion events in July. Will allow CESG members to see the ways in which customers are engaged and experience direct customer feedback.
<b>B. Triangulation and weighting of research evidence</b>		
Clarification sought on the <u>aspects/criteria to be used in deciding which research evidence</u> should be used to inform the development of UU's 2020-25 Business Plan.	Customer Engagement Sub-Group - June 2017	Presentation to main YourVoice group in December 2017 about UU's approach to using research evidence and the way in which results will be triangulated for the PR19 business plan – see below.
Understanding the way in which UU <u>triangulates and weights the various research elements</u> is critical to the role of YV in fulfilling its remit from Ofwat for PR19. External assurance should therefore be obtained from a suitably qualified and experienced third party that UU's interpretation and triangulation of research results is proportionate, fair and reasonable. A key issue for YV will be understanding how UU will ensure that every piece of research is considered and weighted appropriately and results fed into the evidential process for business plan preparation.	YourVoice - December 2017	YV included as an independent stakeholder for an external assurance report commissioned by UU on its triangulation of research evidence. YV inputted directly into the specification for the work agreed with the appointed external contractor, ICF. YV given the opportunity to provide feedback on the emerging findings and received the final assessment results directly from ICF so that they can be discussed at YV meeting.
Urged that YourVoice be included as a key stakeholder for proposed <u>external assurance of UU's approach to triangulation</u> in developing PR19 proposals. Also, the company undertaking the external assurance should possess expert data analysis skills as well as knowledge of customer research techniques.	Customer Engagement Sub-Group - December 2017	See above.
<b>C. Customer billing</b>		
Need to understand how proposals to trial a <u>Meter Fixed Price Guarantee Scheme</u> will work.	Customer Engagement Sub-Group - June 2017	CESG briefed at October 2017 meeting about the 'Lowest Bill Guarantee' trials to encourage meter installation.
Suggestions made in respect of UU <u>Customer Bill Redesign</u> to improve terminology, assist clarity and provide links to further help/support on UU website.	Customer Engagement Sub-Group - September 2017	CESG suggestions taken into account in finalising material for customer billing redesign trials. Further research to be undertaken in 2018, following current trials for unmetered customer versions.
What can UU do to incentivise customers to adopt <u>sustainable drainage solutions</u> , for example through bill discounts?	Environmental Sub-Group - October 2017	A 90% discount on infrastructure charge for developers diverting surface water from the sewer has been introduced by UU.

Concerns expressed about 'icebreaker' used for WaterTalk online panel discussion about proposed revisions to <u>new customer bill statements</u> .	Customer Engagement Sub-Group - March 2018	
<b>D. Annual/quarterly performance reporting</b>		
UU should consider the ways in which key messages on performance will be included in <u>customer communications relating to 2016/17 APR</u> . Should not gloss over areas where company is underperforming. Should consider 'Plain English' customer summary document to accompany APR report.	Customer Engagement Sub-Group - July 2017	Changes were made to the UU website to emphasise the areas where performance required particular improvement e.g. sewer flooding, and a separate YourVoice commentary was added. A summary document aimed at customers was developed and secured a Plain English 'Crystal' award. A social media campaign to promote the APR and supporting the PR19 business plan themes was delivered in November 2017.
Changes to <u>quarterly reporting format</u> requested to enable better understanding of: <ul style="list-style-type: none"> <li>Reasons for underperformance or potential underperformance ('reds' and 'ambers')</li> <li>Relative importance of measures to customers and Ofwat.</li> <li>Where UU stands in relation to rewards and penalties ('balanced scorecard').</li> </ul>	YourVoice – April 2018	A revised format addressing these changes was introduced at the June 2018 YourVoice meeting.  Agreed that six-monthly update will be provided on where UU stands on rewards and penalties overall.
Detailed suggestions made to improve <u>2017/18 APR customer summary document</u> , including <ul style="list-style-type: none"> <li>remove jargon and provide explanation to customers of terms such as ODIs, with which they will be unfamiliar</li> <li>look again at annex on AMP 6 reconciliation as too complex for customers</li> <li>figures need to be used consistently – reference to £250m additional investment needs clarifying.</li> </ul>	Customer Engagement Sub-Group - June 2018	Changes were made to the text to reduce the elements of jargon and to explain technical terms such as outcome delivery incentives, and to explain how these work.  The appendix 3 anticipated performance for the remainder of AMP6 was re-worked to reduce any complexity  The text involving the explanation of the additional £250 million investment in resilience measures was re-worked to improved clarity
<b>E. Innovation and new approaches</b>		
YourVoice wishes to be better understand the potential for applying <u>Systems Thinking</u> approaches across UU's activities.	Customer Engagement Sub-Group - July 2017	Presentation made to April 2018 YourVoice meeting on the ways in which UU is seeking to embed Systems Thinking across its business activities. CESG Chair attended Systems Thinking course in May 2018.
UU urged to think about its approach to <u>waste management</u> through the lens of a circular economy, and to land management from a natural capital point of view.	Customer Engagement Sub-Group - August 2017	The company approach to natural was explained to YourVoice in ESG discussions concerning the bespoke natural capital performance commitment and bioresources in May & June 2018.  These build on the long term vision of establishing a resilient operation approach to catchment planning and establishing a baseline natural capital account for our operational area, which will include land and waste management. The YourVoice members asked about any opportunity to share innovation and pool expertise, partnering with the business

		<p>community on how best to achieve value from recycling waste products and asked that this be considered'</p> <p>UU's waste strategy target is to divert 95% of waste to beneficial use by 2020, which has been approved by its Corporate Responsibility Committee. In financial year 2016/17, it produced 514,295 tonnes of total wet waste and diverted 487,237 tonnes of total wet waste from landfill which is a recovery rate of 94.7%. This demonstrates that it is continuing to drive for improved waste performance and the sustainable management of waste.</p>
Wish to understand more fully the ways in which the company is using <u>co-creation</u> approaches to identify ways in which to do things differently.	Customer Engagement Sub-Group - August 2017	Presentation made at October 2017 CESG summarising co-creation activity, including Customer Bill Redesign research and the River Petteril catchment management project.
Important for the company to communicate <u>the use of innovative techniques</u> (for example, using non-invasive slip lining to replace lead pipes on customers' properties) to enhance the potential for positive customer responses and behavioural change.	Customer Engagement Sub-Group - April 2018	Future customer communications plans will take account of this feedback and will aim to amplify examples of areas where UU is already leading on innovation.
<p>Customer research with WaterTalk panel exploring <u>Innovation and Systems Thinking</u> (ST). Proposals welcomed and suggestions made:</p> <ul style="list-style-type: none"> <li>• More explanation needed about the types and benefits of innovation.</li> <li>• Need to explain and define ST as an approach to innovation rather than Innovation per se.</li> <li>• Water companies <u>must</u> be innovative so this should not be presented as a choice for customers. Focus should be on exploring attitudes to costs and benefits of ST (i.e. short term investment for potential longer term rewards in form of cost savings).</li> <li>• Stimulus material too wordy and over-complicated - should be simplified and illustrative images used.</li> </ul>	Customer Engagement Sub-Group - April 2018	<p>CESG comments were taken into account when finalising the customer-facing material for the research addressing Innovation and System Thinking.</p> <ul style="list-style-type: none"> <li>• Bespoke stimulus material was developed to explain what is meant by the term systems thinking, and to give contextual examples as to how UU has already applied systems thinking to its operation</li> <li>• Customers were asked whether they expected UU to be innovative, it was not presented as a choice, but it was thought to be important to get customers unprompted opinions in this regard</li> <li>• The stimulus material was revised to reduce any unnecessary complexity.</li> </ul> <p>The research debrief was eventually presented to the CESG and was well received</p>
<b>F. Public consultation/stakeholder events/acceptability testing</b>		
UU's immersive behavioural economics customer research should look at opportunities to <u>involve non-household customers</u> in activity designed to investigate deeper levels of customer behaviour.	YourVoice – June 2017	Additional, bespoke immersive behavioural economics research sessions were carried out in October 2017, which will be used in developing PR19 business plan proposals.
In the proposed <u>public consultation on emerging PR19 business plan priorities</u> , UU was urged to consider non-targeted methods as well as targeted digital and physical channels to reach as wide an audience as possible	Customer Engagement Sub-Group - September 2017	UU utilised a wide range of methods to engage customers about the PR19 consultation proposals in November 2017, including (a) a programme of events at key shopping locations around the region, and (b) specific activities aimed at political, youth and business audiences.

<p>Comments provided on <u>UU draft document for public consultation on PR19 business plan themes and priorities</u>, aimed at improving presentation, terminology and consistency, particularly in relation to explaining service improvement priorities and their bill impacts.</p>	<p>Customer Engagement Sub-Group - September 2017</p>	<p>All CESG comments were considered and taken into consideration in preparing the revised document issued in November 2017, including better defining and distinguishing between priorities (internal/external sewer flooding and short/long term supply interruptions) and better presentation of options and bill impacts to customers.</p>
<p>Recommendations made in relation to the <u>proposed performance targets and bill impacts to be tested in the public consultation, and acceptability testing</u>, on PR19 themes and priorities:</p> <ul style="list-style-type: none"> <li>• UU to clarify the presentation of five-year bill impacts by showing: (i) reductions resulting from efficiency savings; (ii) bill impacts of service improvement proposals; and (iii) the application of inflation to both positions;</li> <li>• the icon used to denote vulnerable customers should be changed, and the use of the term 'you' to personalise the document reviewed;</li> <li>• UU should demonstrate the correlation between service valuation (WtP) research results and the values to be used for bill impacts.</li> </ul>	<p>Customer Engagement Sub-Group - October 2017</p>	<p>First two points were addressed in preparing the PR19 public consultation document issued in November 2017, in particular the presentation of bill impacts was improved.</p> <p>Third point about demonstrating the correlation between service valuation (WtP) research results and the values to be used for bill impacts was addressed in the presentation given to the YourVoice meeting in December 2017 about the triangulation of research evidence (see B above).</p>
<p>Comments provided on customer research material for <u>acceptability testing of proposed PR19 service improvements/bill impacts</u>:</p> <ul style="list-style-type: none"> <li>• more clarity is needed in asking customers about the quality of drinking water</li> <li>• question about water scarcity could frame future responses and is potentially misleading</li> <li>• need to provide 'maintain current UU performance' option for customers in all cases</li> <li>• 'lifting out of poverty' terminology not appropriate</li> <li>• too many demographic questions in survey</li> <li>• various clarifications needed to language and definitions used in service descriptions and bill impacts/sliders tables</li> <li>• Manchester resilience project impacts not included?</li> </ul>	<p>Customer Engagement Sub-Group - October 2017</p>	<p>CESG points were taken into account in finalising the acceptability testing material before public release. A detailed response was provided on each issue raised and explanations of changes made to research material as a result. Clarification was provided separately on the way in which Manchester and Pennines resilience project impacts are being dealt with.</p>
<p>Requested that UU <u>considers the inclusion of comparative water sector information</u> for the final round of acceptability testing of proposed PR19 service improvements/bill impacts in Spring 2018.</p>	<p>Customer Engagement Sub-Group - November 2017</p>	<p>The final round of acceptability testing in June/July 2018 included comparative data demonstrating industry rankings of targeted service aspects where available, as well as company specific historical performance records to allow customers to make choices with these contexts in mind.</p>

<p>CESG provided feedback on the proposed public consultation questions relating to the <u>draft Water Resources Management Plan</u>. Comments included:</p> <ul style="list-style-type: none"> <li>• Executive Summary says too much about process before getting on to substantive issues.</li> <li>• Concerns about framing of Leakage issue and options.</li> <li>• Suggestions aimed at improving the clarity and focus of the consultation questions.</li> </ul>	<p>Customer Engagement Sub-Group - December 2018</p>	<p>CESG feedback is being used to help prepare material for WRMP consultation events.</p> <p>The feedback unfortunately cannot be used to update the draft WRMP document, which was submitted to Defra on 1st December 2017. However, it will be used to help write the revised draft WRMP due to be submitted to Defra later in 2018.</p>
<p>To improve the reach and effectiveness of any further <u>PR19 sub-regional stakeholder events</u>:</p> <ul style="list-style-type: none"> <li>• An overview of the price review process should be provided to ensure attendees are generally aware.</li> <li>• Better use should be made of UU area stakeholder managers' networks to boost attendance, particularly from economic/business interests.</li> </ul>	<p>Customer Engagement Sub-Group - December 2018</p>	<p>UU will take CESG feedback into consideration when planning future stakeholder events, in order to ensure better representation of key stakeholders.</p>
<p>Future rounds of acceptability testing should <u>reduce the six-point customer response scale</u> to remove the neutral ('neither acceptable nor unacceptable') option, as a means of making customer preferences more apparent.</p>	<p>YourVoice - February 2018</p>	<p>The final round of acceptability testing in June/July 2018 included revised scoring categories based on a five point scale, removing the 'neither acceptable nor unacceptable' category</p>
<p>Challenges made in relation to second round of acceptability testing:</p> <ul style="list-style-type: none"> <li>• <u>Samples</u> – the sizes and composition of the two split samples should be reviewed to ensure that results will provide the required levels of confidence.</li> <li>• <u>Uninformed bill impact</u> – surveys should initially ask customers about the acceptability of the final bill impacts before going into detail about proposed service improvements.</li> <li>• <u>ODI impacts</u> – in addition to asking about baseline bill impacts in the context of service improvements, the acceptability of the range of bill impacts which could accrue due to ODIs should also be tested.</li> <li>• <u>Inflation impacts</u> – the proposed wording needs to make clear if and how the stated bill impact takes account of inflation.</li> </ul>	<p>Customer Engagement Sub-Group - May 2018</p>	<p><u>Samples</u> – the total sample volume was reviewed, accounting for the proposed 'split sample' into two cells, to achieve the appropriate confidence thresholds for the eventual results.</p> <p><u>Uninformed acceptability</u> - the survey format was changed to allow for the uninformed acceptability question to be posed following the presentation of basic introductory information (about the company, the area it operates in, its customers and the services provided) before participants are told what changes to service are planned.</p> <p><u>Inflation</u> – the calculations of the bill impact would include an appropriate estimate of Inflation, and link this to the customer's actual bill rather than average bills'</p> <p><u>Informed acceptability</u> – a schedule would be included containing the proposed service area changes and associated bill impacts, together with a follow-up question about acceptability. Cross-industry metrics would be included alongside descriptions of targeted service areas where appropriate.</p> <p><u>ODI impacts</u> – an explanation would be provided on how ODI over/under performance payments may affect bills each year over the period in question. This would allow the testing of the acceptability of a realistic assessment of the impact of ODIs (plus inflation) on customer bills.</p>
<p>Consideration needs to be given to how best to encourage better attendance of stakeholders at <u>regional consultation events</u>, and whether there are more effective ways of engaging key stakeholders e.g. through webcasts</p>	<p>Customer Engagement Sub-Group - June 2018</p>	<p>CESG feedback will be taken into consideration in planning future regional consultation exercises. Specific consultation events happen</p>

		relatively infrequently as targeted stakeholder engagement is preferred.
<b>G. Resilience</b>		
<p>For proposed customer research on <u>Manchester and Pennines resilience options</u>, CESG made suggestions on focus group/workshop material and programme to improve clarity and focus. In particular:</p> <ul style="list-style-type: none"> <li>ensuring that use of case studies and videos does not frame customer responses</li> <li>including information on costs of solutions</li> <li>need to provide clearer or amended information in case studies and topic guides</li> <li>consider whether timetable balance is right</li> <li>the need to define what is meant by resilience.</li> </ul> <p>In addition, in view of the significance and scale of the project, <u>the appointment of external experts</u> to assure and validate the process and results was requested.</p>	<p>Customer Engagement Sub-Group - September 2017</p>	<p>CESG points taken into account in finalising material and programme for customer events. CESG members observed pilot events and provided further feedback to help fine-tune process.</p> <p>All points raised by CESG were discussed with the Sheffield Hallam University team appointed to assist CESG, and their views taken into account by UU in finalising the focus group material and programme.</p>
<p>Concerns raised on proposed online survey material for the quantitative phase of the <u>Manchester and Pennines resilience research</u> project, relating to functionality and the way key questions about option choices were phrased.</p>	<p>Customer Engagement Sub-Group - November 2017</p>	<p>CESG suggestions taken into account in finalising the online surveys:</p> <ul style="list-style-type: none"> <li>Gabor Granger experiment was reviewed to ensure the frequency of questions was optimal and there is clear distinction between impact scenarios.</li> <li>Changed wording on grading scale from good idea/bad idea to worth considering/not worth considering, and made further changes to avoid impression of there being just two options.</li> </ul>
<p>Clarification sought on whether the correct conclusion was being drawn from the <u>Manchester and Pennines resilience research</u> project that the majority of customers supported Options D or E.</p>	<p>YourVoice - February 2018</p>	<p>Independent consultants (Sheffield Hallam University) appointed to review the research advised that "Options D and E were the preferred options over the status quo for both household and business customers, with the majority of household and business customers selecting these options in their top two choices."</p>
<p>In considering environmental impact assessment work relating to the <u>Manchester &amp; Pennine resilience options</u>, the sub-group was keen to see identified environmental issues considered as part of project design and delivery, and to ensure that lessons learned from the West Cumbria pipeline project were applied.</p>	<p>Environment Sub-Group - March 2018</p>	<p>The M&amp;PR project team carried out a broad ranging lessons learnt exercise with the west Cumbria pipeline team during 2017, and in July 2018 a combined site visit took place in Cumbria, where the current site works and environmental measures were viewed.</p> <p>Future updates on progress and considerations for the projects, including environmental issues and lessons learnt from other major infrastructure projects will be presented at a future YourVoice meeting</p>

Suggestions made to improve clarity, language, explanation/context and choices offered in proposed 3 day online community research project to explore customer views on <u>asset health maintenance</u> .	Customer Engagement Sub-Group - June 2018	The comments and suggestions were taken into account, and changes made to accommodate in the survey material
<b>H. Performance commitments, targets and outcome delivery incentives (this covers general comments - see separate Annex for challenges relating to individual ODI proposals)</b>		
Clarification sought on the <u>approach and definitions</u> to be used in developing PR19 performance commitments, measures of success and outcome delivery incentives proposals.	Customer Engagement Sub-Group - June 2017	Presentations at August 2017 CESG and September 2017 YourVoice meetings on UU's emerging approach to developing performance commitments, targets and outcome delivery incentives in light of Ofwat consultation on PR19 methodology – see below.
Consideration should be given to including a performance commitment related to <u>catchment management solutions</u> in PR19.	Environment Sub-Group - June 2017	The "Improving the Water Environment" ODI will include all of the elements that ultimately end up in the final version of the WINEP due at the end of March 2018. The WINEP encompasses a wide range of interventions and will include interventions in relation to water safeguard zones. The water safeguard zones that UU has will all be delivered through catchment solutions, thus the existing performance commitment does already include many catchment management solutions.
Following a presentation about the Ofwat PR19 methodology consultation, Your Voice raised: <ul style="list-style-type: none"> <li>The need for the CESG to examine <u>UU performance against the proposed common performance indicators</u> and emerging measures and targets.</li> <li>The importance of also examining the concept of <u>vulnerability from the point of view of business customers</u>.</li> </ul>	YourVoice - September 2017	CESG received presentations covering these issues, and provided feedback to UU on ongoing work at September and October 2017 meetings
In relation to developing PR19 performance commitments, measures and targets. CESG: <ul style="list-style-type: none"> <li>challenged the level of ambition around <u>leakage targets</u> and the need for customers to understand the full context of leakage proposals when being asked to prioritise service actions;</li> <li>raised the need for planned PR19 <u>sub-regional stakeholder workshops</u> to debate leakage issues and the proposed reduction targets;</li> <li>indicated the need for the narrative to emphasise ways in which UU can <u>use innovation to improve services</u> (e.g. SUDS and sewer flooding).</li> </ul>	Customer Engagement Sub-Group – September 2017	PR19 public consultation document issued in November 2017 explains the extent and impact of current leakage levels and invited customer views on options to reduce leakage ranging from 7 to 40%. PR19 sub-regional stakeholder workshops held in November 2017 invited views on the leakage reduction options described above. PR19 public consultation document issued in November 2017 suggested ways in which innovation can be used to improve services, for example, working with housebuilders/local authorities to encourage sustainable solutions to slow down the rate at which surface water enters sewers.
Requested the opportunity to review the full set of proposed performance commitments, targets and measures, including <u>how customer research evidence has been weighted and triangulated</u> in each case.	Customer Engagement Sub-Group - December 2017	Full package of proposed performance commitments, targets and ODIs were considered in detail across several CESG and ESG meetings from February 2018 onwards.
Need to understand, and explore with UU in greater detail, the whole system cost of <u>leakage</u> and the feasibility of the reduction options put forward in the PR19 consultation document. Can a 7% reduction be justified as sufficiently stretching, particularly given the	Environment Sub-Group – December 2017	'Deep dive' on leakage took place at February 2018 ESG meeting, in the course of which UU explained intention to move to a higher 15% leakage reduction target in its PR19 proposals.

Ofwat expectations of at least 15%? Should UU adopt the same approach as they currently do in a drought situation as the norm in order to reduce leakage?		
While UU's decision to propose a more ambitious <u>leakage</u> target of 15% was welcomed, clarification is needed on the extent to which this will be funded via increased customer bills versus use of innovative approaches to detect and repair leaks. Also need to understand how increased target is supported by the same customer research used to justify the earlier 7% proposal?	Environment Sub-Group – February 2018	This issue is being pursued via the WRMP consultation process and further customer research being undertaken as part of PR19 business plan development. UU will be seeking views from customers and stakeholders on proposals and options in the plan, including the enhanced leakage figure and bill impacts.
Want to be clear on <u>how customer research and other evidence has been used</u> to inform the selection and development of proposed outcome delivery incentives and targets; and in cases where customer research is not available or does not support a particular level of performance, UU must demonstrate why its proposals are justified.	Environment Sub-Group – February 2018	The template developed by UU for presenting Performance Commitment/ODI proposals takes account of feedback from the two YourVoice sub-groups and contains a section highlighting relevant customer research and other key supporting evidence and justification.
<p><u>Wastewater Network + performance proposals</u> need to be supported by enhanced partnership working between UU, EA, local authorities and developers to promote and implement sustainable drainage solutions. In considering proposed ODIs:</p> <ul style="list-style-type: none"> <li>• Comparative industry information should be included where available.</li> <li>• Current/baseline performance should be made clear.</li> <li>• Concerns expressed about emerging Ofwat convergence solution concerning sewer collapses.</li> <li>• Concerns expressed about pollution incidents ODI not distinguishing between major and minor events.</li> <li>• More justification is needed for proposed ODI covering customer awareness of 'what not to flush'.</li> </ul>	Environment Sub-Group – March 2018	<p>Following the deliberations on the detail of the performance commitments, the company agreed to adapt the long versions of the documents to reflect the resolutions to the challenges</p> <ul style="list-style-type: none"> <li>• Comparative information where available is included</li> <li>• The discrepancies and potential collaborative/industry resolutions to the issue of sewer collapse data are also put forward in the long documents</li> <li>• Pollution concerns – the company is confident that other EA mechanisms of environmental control will address this issue</li> <li>• The ODI for awareness of what not to flush was represented at a subsequent meeting</li> </ul>
Consideration of <u>proposed package of 44 performance commitments to be submitted to Ofwat</u> in May 2018. YourVoice made a number of suggestions to clarify definitions and the way in which measures will work.	YourVoice – April 2018	YourVoice suggestions were taken into account and adaptations made to the long versions of the performance commitments documents, which are available for further scrutiny.
<p>Proposals for <u>WaterTalk online customer research panel 'pop-up community' project</u> looking at proposed PCs/ODIs. YourVoice made the following comments:</p> <ul style="list-style-type: none"> <li>• Simplify language to avoid jargon</li> <li>• Add comparative information on key areas where it exists</li> <li>• More clarity needed on how to interpret the ODI tables</li> <li>• Customers need to be asked how realistic they think the performance targets are for UU to achieve.</li> <li>• Clarify in cross subsidy questions how much the customer would need to pay overall</li> </ul>	Customer Engagement Sub-Group - June 2018	<p>A number of changes were made to address YV comments, including</p> <ul style="list-style-type: none"> <li>• Adding comparative information on key areas where it exists, in a similar way to that used in Acceptability Testing</li> <li>• Tables to have 'worked example' of how to interpret the columns/rows to make clearer</li> <li>• Customers will be asked how realistic they think the performance targets are for UU to achieve, will be able to compare targets to the current performance and will be asked</li> </ul>



<ul style="list-style-type: none"> <li>Make stimulus tables clearer, and maximum out-/under-performance payments</li> </ul>		<p>whether the ODIs look fair and reasonable.</p> <ul style="list-style-type: none"> <li>Maximum out-/under-performance payments – we will add a bar to the chart to bring this out.</li> </ul>
<p>Proposal for WaterTalk online customer panel research project on <u>Streetworks compliance</u>. Points raised:</p> <ul style="list-style-type: none"> <li>Provide more clarity on the definitions provided for street works and roadworks</li> <li>Provide costings, not only for achieving greater than the statutory 90%, but also costs for reinstalling works</li> <li>Clarify whether legal requirement for utilities to coordinate street works</li> <li>Provide information on costs of gearing up coordination</li> </ul>	Customer Engagement Sub-Group - July 2018	<ul style="list-style-type: none"> <li>Preparation of survey material to reflect the proposals for research on Streetworks compliance have been produced, taking into account comments from YourVoice members.</li> <li>The survey material was recirculated to CESG members for review and further comment prior to commencing fieldwork</li> </ul>
<p>UU encouraged to include narrative in the PR19 business to explain the <u>triangulation</u> journey from early findings to positive conclusions in the final ICF report.</p>	YourVoice – July 2018	<ul style="list-style-type: none"> <li>Text has been included in the PR19 Business Plan, which has been reviewed by the YourVoice Panel illustrating the work that was done with on triangulation, and the assurance that ICF have undertaken.</li> <li>In addition the full ICF report on the journey from early findings to positive conclusions will be a document in the submission package to Ofwat</li> </ul>
<b>I. Environmental issues</b>		
<p>Clarification sought on the inclusion of <u>natural capital accounting</u> in UU's customer insight research.</p>	Environment Sub-Group - April 2017	Briefing provided on customer research projects relating to natural capital accounting and environmental priorities more generally, including immersive research on valuing ecosystem services and catchment management approaches.
<p>Sub-group wished to see UU and EA working together to explore the opportunities for <u>integrated catchment management options</u> in moving from the WISER into the WINEP.</p>	Environment Sub-Group - April 2017	A number of integrated catchment management schemes are expected to be included in the WINEP: Petteril, Hodder (Chipping Brook), Burscough (Martin Mere) and Rhodes Farm.
<p>UU should look at <u>broader environmental issues</u> such as water stewardship and business interaction with the environment, and bring forward proposals to deal with these issues.</p>	YourVoice – June 2017	This suggestion was noted by UU and taken into consideration in developing PR19 business plan proposals.
<p>UU's strategic approach to <u>bio-resources</u> should consider opportunities to share innovation and pool expertise, partnering with the business community on ways to achieve value from recycling waste products.</p>	YourVoice – June 2017	This suggestion was noted by UU and taken into consideration in developing PR19 business plan proposals.
<p>UU customers should not be paying clean-up costs of <u>pollution incidents</u> caused by large companies taking shortcuts to cut costs, for example in managing trade effluents</p>	Environment Sub-Group - June 2017	Cost recovery is part of the prosecution process, and UU has experience of costs being recovered in respect of concrete being poured into sewers and fats, oils and grease
<p>UU need to look wider than cost-benefit analysis results in reviewing the benefits/impact of projects to <u>improve/protect shellfish beds</u> (e.g. impacts on the local economy from deterioration of shellfish beds). Contact IFCA to discuss further.</p>	Environment Sub-Group - June 2017	For AMP7 all shellfish drivers are no deterioration so are statutory drivers and not subject to CBA
<p>Further consideration should be given to ways in which the <u>natural capital approach</u> can be</p>	Customer Engagement Sub-Group -	UU proposing a specific ODI relating to enhancing natural capital for customers.

used to develop catchment management and wider UU work relating to the environment.	December 2017	
Can the volume of leakage be reduced in areas where the <u>Abstraction Incentive Mechanism</u> applies, to limit the level of abstraction and impact on these environmentally sensitive areas?	Environment Sub-Group - February 2018	During AMP7, the Abstraction Incentive Mechanism will apply at two sites: Old Water and Ennerdale. Leakage targets vary across the region and take into account the overall supply/demand balance including available abstraction. In West Cumbria, the supply/demand balance is more challenging and leakage targets already reflect abstraction limitations.
<b>J. Water trading</b>		
Need to understand more fully the balance between <u>risks and benefits, and bill impacts, for NW water customers</u> arising from any future water trading arrangements. NW customers would be expected to fund the design and development work to allow water trading to take place – but should they be paying in the first place, and how will they be protected?	Environment Sub-Group - December 2017	Water trading is on the agenda for main YourVoice meeting in April so will be discussed in more detail then. UU meeting with Ofwat at the end of March to discuss water trading issues further, based on the draft WRMPs from other water companies.
Suggested changes to joint water company customer research project on water trading to clarify: <ul style="list-style-type: none"> <li>• distinction between the wholesale/retail split for NHH customers;</li> <li>• making clear that water resource challenges relate to the country not UU;</li> <li>• explain link with WRMP better and focus on WT versus other water supply options.</li> </ul>	Customer Engagement Sub-Group - April 2018	Comments addressed in finalising the research material.
<b>Other Issues</b>		
Presentation on <u>wholesale strategy covering management of water resources, sewer flooding and odour nuisance</u> . Points raised: <ul style="list-style-type: none"> <li>• The importance of UU publicising replanting of vegetation on its' own land ('slow the flow'), in the same manner as other water companies.</li> <li>• The need for UU to look at the green space it controls and communicates the public benefits provided.</li> <li>• UU should factor the current strong but misplaced anti-EU rhetoric about environmental regulation when commissioning research on environmental activities.</li> </ul>	YourVoice – March 2017	The first two suggestions have been noted and will be taken into consideration in developing future publicity/communications material.  On last point, UU's policy approach is to avoid reference to the EU when referring to environmental regulation in customer research activities.
Support available to farmers from multi-agency resources is disjointed. Is there an opportunity for UU to review its <u>agricultural partnerships</u> and bring all these resources together under a single order?	Environment Sub-Group - October 2017 ESG	Presentation to December ESG about UU's engagement with the agricultural sector, covering water resources, wastewater network, bioresources and customer research activities.
Concerns expressed about leading nature of proposed <u>asset health questionnaire</u> for WaterTalk online panel, including:	Customer Engagement Sub-Group - March 2018	Changes made to address all points raised, especially Q6 –Q11.

<ul style="list-style-type: none"> <li>• proposed £30,000 cost of asset replacement;</li> <li>• the lack of a 'Don't Know' option for answering questions; and</li> <li>• the confusing approach to testing customer preferences concerning rewards and penalties linked to asset health</li> <li>• the need for more clarification and better information about asset health issues to inform responses.</li> </ul>		
<p>Concerns raised about proposed WaterTalk panel discussion about the possibility of UU taking over <u>ownership of lead pipes on customers' properties</u>:</p> <ul style="list-style-type: none"> <li>• the need for better presentation of the health risks associated with lead pipes to avoid alarming participants;</li> <li>• the possibility of installing water meters at the same time as lead pipe removal being seen as a 'Trojan horse'.</li> </ul>	<p>Customer Engagement Sub-Group - March 2018</p>	<p>Research guidance amended to provide more context about health impacts and make less alarming, plus link provided to relevant section of UU website.</p> <p>Intention is to explore customer attitudes to meters being installed at same time as lead pipes replaced, so important not to lead them too much. However, more information is provided about why meter installation is proposed and the potential benefits to customers.</p>
<p>Water industry needs to develop a strategy around the use of <u>smart meters</u> to encourage water efficiency in homes.</p>	<p>YourVoice - February 2018</p>	<p>UU organising a water industry meeting to consider smart meter strategy. CCW to be invited and papers provided to YourVoice.</p>
<p>Suggestions made on proposed <u>wholesale customer segmentation research</u> project to:</p> <ul style="list-style-type: none"> <li>• improve clarity and provide more explanation and context on some question.</li> <li>• allow multiple responses to some Qs</li> <li>• allow more time for completion given number of Qs.</li> </ul>	<p>Customer Engagement Sub-Group - June 2018</p>	<ul style="list-style-type: none"> <li>• The suggestions were taken into account in developing the research material and it was agreed that the CESG would remain involved in the project to completion.</li> <li>• This would include workshops to create testable hypotheses as the potential future customer segmentation categories and CRM approaches</li> </ul>
<p>Concerns expressed about the value of undertaking research looking at <u>customer attitudes towards issues like water demand/efficiency and leakage</u> at a time when public emotions are high due to proposed drought restrictions.</p>	<p>Customer Engagement Sub-Group - July 2018</p>	<ul style="list-style-type: none"> <li>• The company aims to continually collect research on customer opinions, attitudes and priorities, and is particularly interested if there is an unfortunate circumstance of a service event or failure</li> <li>• The recent dry weather and announcement of a potential hose-pipe ban presents a situation that could impact on customer trust and confidence and on views relating to leakage in particular</li> <li>• The company aspires to 'benchmark' any reaction (including as a result of media attention) and proposes to undertake this research which would help this aim.</li> </ul>