

# YourVoice - Minutes of 14 October 2019 Meeting at Lingley Mere, Warrington

## Present:

<b>YourVoice members</b> Bernice Law – Independent Chair Tayo Adebowale – NW Flood & Coastal Committee Adam Briggs – National Farmers Union Andrew White – Consumer Council for Water Bhupendra Mistry – Consumer Council for Water Dave Thompson – Warrington Disability Partnership Steve Cullen – Citizens Advice & Money Advice Neil Cumberlidge – Independent Secretary	<b>United Utilities</b> Gaynor Kenyon – Corporate Affairs Director James Bullock – Strategy & Regulation Director Louise Beardmore – Customer Services Director Jo Harrison – Asset Management Director Mark Abbott – Regulatory Contract Manager Ken Dillon – Customer Research Manager
<b>Apologies</b> Alistair Maltby – The Rivers Trust Richard Jarvis – Public Health England Damian Waters – Confederation of British Industry Allen Creedy – Federation of Small Businesses Keith Ashcroft – Environment Agency Stewart Mounsey – Environment Agency	

## Item 1 – Minutes/actions from 23 July 2019 meeting

The draft minutes were approved.

It was agreed to carry forward actions relating to:

- The addition of direction of travel arrows to the QPR metrics charts.
- Jo Harrison to review Bolton PCC initiative and advise on any potential response.
- Jo Harrison to provide an update on mains cleaning at a future meeting.
- Louise Beardmore to ensure that the water efficiency trial results are reported alongside ongoing performance commitments/ODIs.

All other actions and matters arising had either been dealt with or would be picked up under other agenda items.

## Item 2 – Quarterly Performance Review

Jo Harrison presented the Wholesale performance measures covering wastewater and water up to September 2019. The following points were highlighted:

- Sewer Flooding Index performance had been affected by the July flooding incident.

- Future Flood Risk performance continues to be influenced by the diversion of resources to focus on preventing repeat flooding incidents rather than hydraulic system improvements.
- Performance in Maintaining Wastewater Treatment works is expected to improve.
- Changes to the Rivers Improved programme relating to the Manchester Ship Canal had impacted on performance.
- Performance in relation to the Water Quality Service Index and Water Quality Events measures was improving but had been affected by changes in methodology.

Louise Beardmore presented the Domestic Retail performance measures. The following points were highlighted:

- The change from measuring Per Household to Per Capita Consumption in the next AMP means that activity is now focussed on pulling together current performance data on the latter. There is likely to be strong public interest in this area, and work was underway with developers on incorporating water efficiency features in new housing and to influence the Building Regulations.
- Reductions in water bills could make the installation of water meters even more challenging in the next AMP. Consideration is being given to trialling 'shadow meters' in localities, and a trial is underway in Sandbach to install smart meters in a new housing development.

### Item 3 – SIM and C-MeX representation

Louise Beardmore outlined two issues:

- Following an independent report commissioned from Frontier Economics, there are concerns that the proposed design and operation of the new C-MeX survey will result in a high degree of statistical uncertainty which will impact on potential rewards and penalties.
- There are concerns about the impact of Ofwat's revised methodology for calculating rewards and penalties for SIM performance in AMP6, which will exaggerate the impact of outlier performance levels.

### Item 4 – PR19 Draft Determination

James Bullock presented an update on the PR19 position ahead of the company's meeting with Ofwat on 17 October to make final representations ahead of the Final Determination. It was noted that Bernice Law will attend this meeting on behalf of YourVoice.

The company will be focussing on three core concerns:

- Securing a reasonable balance of rewards and penalties.
- Ensuring confidence in achieving improved resilience and reduced service risk, including delivery of the Manchester & Pennines Resilience scheme.
- Ensuring that AMP7 is financeable.

### Item 5 – UU Organisational Changes

Louise Beardmore outlined the revised UU senior management structure following the departure of Steve Fraser and to prepare for AMP7. A flatter, more streamlined structure has been adopted to promote more integrated and flexible ways of working.

The opportunity had also been taken to realign some responsibilities, including relocating stakeholder management to Corporate Affairs and bringing metering/connections into the Customer and People Directorate.

#### **Item 6 – Annual Performance Reporting**

Mark Abbott explained that the suite of 2018/19 annual reporting documents has now been published, including the customer summary and YourVoice statement, together with infographics and social media activity.

In response to the action agreed at the 23 July 2019 YourVoice meeting, a comparison had been undertaken of other water companies' published annual performance reporting material. A number of approaches had been identified that might be worth adopting in future – YourVoice members highlighted the inclusion of comparative industry information and securing customer feedback on the current APR approach as particularly worth of consideration.

Mark Abbott outlined proposed changes to Ofwat's Company Monitoring Framework (CMF), highlighting the move away from publishing CMF assessments and seeking to assess performance 'in the round'.

***Action: Mark Abbott to bring the draft Risk Assessment and Assurance Plan for 2019/20 to the January YourVoice meeting.***

#### **Item 7 – Drainage and Wastewater Management Plan (DWMP)**

Jo Harrison explained the new requirement on water companies to prepare long term strategic plans to maintain robust and resilient drainage and wastewater systems. The plans will be structured at company, strategic planning area and tactical planning unit levels. A draft plan will need to be produced in 2022, with the final plan in 2023 feeding into the water companies' 2025-2030 business plans.

The DWMPs will cover all drainage assets, which will necessitate the engagement of local authorities and other stakeholders in plan development – the company is already engaging with local stakeholders to understand current risks in each catchment area.

***Action: Environment Sub-Group to engage with the development of the WRMP.***

Jo Harrison clarified that the DWMP will focus primarily on urban areas so would not address drainage/flooding of agricultural land.

#### **Item 8 – Haweswater Aqueduct Resilience Programme (HARP)**

Neil Gillespie presented the high-level timeline for HARP, which will take forward the proposed solution (rebuilding all tunnel sections) to the Manchester & Pennines Resilience scheme. Site investigations will be undertaken in 2019/20, leading to the submission of planning applications and putting the project out to tender in 2021. Construction will take place between 2022 and 2029, and will be financed over a 25-year period from 2029 to 2054.

The company believes that using the Direct Procurement for Customers (DPC) route will provide the best means of delivering value for customers. YourVoice highlighted the need to develop an overall environmental plan, and to avoid the use of glossy publications in engaging with customers and stakeholders.

### Item 9 – Any other business

- a. Louise Beardmore explained that, following research with customers about the UU brand, changes to straplines were under consideration.
- b. Jo Harrison outlined the changes being made to protection measures for eels and elvers at water treatment works in Cumbria now that the use of strobe lighting is no longer acceptable.
- c. Neil Cumberlidge explained that a draft report on YourVoice's self-assessment of PR19 performance would be circulated to UU for comment ahead of consideration at the January meeting.
- d. Bernice Law outlined plans to review and refresh the YourVoice membership.

The next meeting will be held on 14 January 2020 at Lingley Mere.