

Your Voice Customer Engagement Subgroup

20 September April 2024

Minutes

Your voice members	United Utilities
Steve Cullen- Subgroup Chair Dr Tayo Adebawale – Independent member Bernice Law – Independent Chair Peter Fitzhenry – Support to the Panel	Ben Nadel Shy Bayly Kieran Brocklebank Mike Gauterin Jenny Fathers
Apologies: Sue Lomas – Independent member Lucy Byrne – Independent member Dave Thompson– Independent member	

1. April 2024 Minutes and Challenge Log

- WDP to support UU’s work with visually impaired customers (in place & ongoing)
- Innovation Lab and design principles – agenda item 20 September 2024

2. ODI Quarterly performance update: customer indicators

Mike Gauterin (MG) took the group through the latest quarterly performance update.

MG highlighted an improving trend around PCC linked to the installation of additional water meters ahead of a one million smart meter installation programme in AMP8.

Ben Nadel (BN) advised that OFWAT has consulted around proposed changes to the way PCC is calculated because of the impact of COVID. These changes should appear in the next reporting period.

Q. Steve Cullen (SC) welcomed the positive news around the increasing take up of Priority Services. SC advised that Warrington CAB are adding between 30/40 new PSR members a week. SC commented about the collaborative priority services work with other utilities.

A. MG highlighted the growing data sharing arrangements with other utility sectors to help jointly grow the North West’s PSR. The water industry PSR average is 10% of customers. UU’s PSR is currently at 12-15% of its customer base.

Q. SC asked about the cap on the lead pipe replacement programme.

A. MG explained that UU has exceeded its AMP7 lead pipe replacement programme cap. UU is planning to deliver 30,000 lead pipe replacements programme as part of its AMP8 proposals, starting April 2025.

Q. Bernice Law (BL) asked if UU is offering customers access to UU appointed lead removal contractors.

A. MG advised that customers are using independent plumbing companies.

Q. Tayo Adebowale (TA) advised that the health impact of lead pipes had been discussed at the September 2024 E&SC Sub Group. Lead pipes was highlighted as the water network's key health risk.

3. Deep Dive: Innovation

Keiran Brocklebank (KB) took the Sub Group through UU's approach to embedding innovative thinking at the heart of its decision making. KB highlighted:

- What innovations UU is looking for?
- How UU manage innovation
- Some key statistics
- UU's portfolio management model
- Some examples of employee ideas and suggestions

Q. TA asked about the volume of water loss that is the customer's responsibility. TA also asked how UU engages smaller businesses in the innovation process and if the company had reviewed its internal procedures to facilitate the engagement of these smaller companies.

A. KB advised that UU had reviewed its terms of engagement (e.g. payment terms, partnering, mentoring) to facilitate smaller businesses working with it. KB advised that UU is working to de-risk ideas and joint working to help partners deliver new ways of working or innovative systems of work. This might include UU working directly with a start-up company or arranging for them to work alongside some of UU's more established UU supply chain partners.

Q. SC asked that this Sub-Group receive an annual report about how this process is evolving. **(Action).**

4. Draft Determination representation

BN provided an update about how UU has responded to OFWAT's Draft Determination. BN explained the current position regarding customer bills and how UU's proposed bill increase compared to that of other water companies. With a shorter price review process because of the general election, this had had implications for how UU sought to engage with customers on Ofwat's draft determination.

BN advised that CCW is currently consulting customers about the draft determination. This consultation research will replicate earlier Acceptability & Affordability consultation exercises. CCW's research findings are scheduled to be shared with OFWAT in September 2024.

Q. TA asked about customer bill implications of the current Draft Determination and if there is a need to revisit previous customer engagement given the potential changes to the water bill increases. TA raised the issue of how any water bill increase will be explained to the bill paying public.

A. BN advised that the current water bill implications are within the range of potential bill water increases covered by the previous customer engagement exercise on acceptability and affordability. Shy Bayley (SB) confirmed that the previous consultation evaluated two bill options and that the current water bill increase is contained within the range of these two options.

A. SB advised that UU's County Teams are working up how to raise awareness of where the network investment will be spent within each of the counties. Customer price increases will be communicated alongside the existing water bill format and will explain what the extra investment resources will be spent on. This communication strategy will include the affordability support that will be available to customers. UU will take the Sub-Group through its water bill increase communication proposals. **(Action)**.

Q. BL asked if the extra water bill increase is because of the WACC.

A. BN confirmed that this was the case, although there is a small increase arising out of some recent EA proposals.

Q. SC stated that UU's communications need to explain why the proposed network investment has not been done previously.

5. Customer Research update

Jenny Fathers (JF) took the group through a presentation about the current customer research programme. This presentation highlighted:

- Eight pieces of customer research in various stages of completion
- Research highlights: Co-creating water quality communications with customers.
- Research highlights: Reducing leaky loos and saving water in the home through innovative technology.
- Overview of latest research from CCW (Environmental Awareness Index)
- Research by CCW (environmental matters: pollution, sewer flooding, trust)
- Research by OFWAT (Cost of Living)

Q. TA asked how customers were selected for the Leaky Loo pilot.

A. JF advised that customers and employees volunteers have completed a pre-selection questionnaire prior to joining the Leaky Loo pilot.

Q. TA asked why trust (23%) in the water industry was lower than in other utilities.

A. SB advised that this level of trust was significantly lower than that identified in UU's own customer research. JF to investigate and report back to a future Sub-Group. **(Action)**.

6. Customer Engagement and the Five County update

Shy Bayly (SB) explained that UU's plans for its county level delivery squads continues to progress, how county teams are engaging within their localities and the type of stakeholders they are collaborating with.

Q. SC asked which county Warrington was part of.

A. SB confirmed Warrington is within the Cheshire County.

Q. BL asked if the County Lead officers could identify potential Your Voice representatives from within their local networks.

A. SB advised that this issue would be discussed with the five County Lead Officers. **(Action)**.

7. AOB

No further business. Date of next meeting: 12 December 2024 (10.00 – 12.00)