

Your Voice meeting via Teams

29 February 2024

Minutes

Your voice members	United Utilities
Bernice Law – Independent Chair Dave Thompson Cullen – Independent member Jo Lappin – Independent member Steve Cullen – Independent member Dr Tayo Adebawale – Independent member Peter Fitzhenry – Support to the Panel	James Bullock Mike Gauterin Chris Matthews Gaynor Kenyon Paul Tipper
Apologises	

1. Quarterly Performance update

Mike Gauterin (MG) and Paul Tipper (PT) took YourVoice through the quarterly performance outcomes report.

Q. Jo Lappin (JL) asked about the role of customer behavioural change in reducing water consumption. JL also asked if there would be any UU financial consequences from reduced customer water consumption and how UU is future proofing consumption levels/demand.

A. MG advised that UU has set up a Change Control Group to oversee the reduction in water consumption and this group will lead on planning for future water demand levels. It is led by an Executive Director. MG also advised that UU's revenue is based upon its Business Plan targets and is not impacted by short term changes in consumption levels. Going forward, UU is planning for an increase in demand for water from the growth in the North West's population – up by one million. This growth forms part of UU's future demand/supply planning. **(Action. Future agenda item).**

PT advised that a lot of work is going into tackling increasing levels of rainfall by, focusing on where the rain falls, expanding the network's capacity and managing storage capacity.

Q. Tayo Adebawale (TA) asked about the connection between UU's consumption plans and OFWAT's sustainability contract.

A. MG stated that UU has a long-term water management plan that runs up until 2050. This plan is updated every AMP. This plan is linked to the overall business planning process and includes for supply/demand balance, population growth and meter versus non meter supply metrics.

James Bullock (JB) advised that the price control mechanism was not affected by in year supply/demand issues. All water companies are expected to balance revenue recovery issues (under/over recovery) across multiple financial years. There are no in year financial (dis)-incentives linked to consumption levels.

Q. TA asked about the impact on the environmental metrics of the significant urban developments in places such as Central Manchester.

A. JB explained about UU's partnerships across the region and commitment to a collaborative approach to coordinate UU's activities with other organisation's future development plans. Local authorities are responsible for ongoing development across their geographical areas. UU is a consultee but it is not in a position to enforce actions on other parties.

A. MG explained how UU tries to influence other organisations future developments through a series of incentives such as SUDS or metered supplies.

TA asked if the results of this approach could be shared at a future meeting. **(Action: Agenda item).**

2. Proposed changes to APR reporting for 2023/24

JB provided an update on OFWAT's proposed changes to the APR reporting system. These are designed to improve the presentation of existing data/information rather than change the APR principles. OFWAT's stated aim is to help them better understand and compare the performance of all water companies which should then help drive up water companies' overall performance. The results of OFWAT's consultation exercise should be published on 15 July 2024.

Q. JL asked if these changes would result in improved performance or better customer outcomes.

A. JB stated that these steps are designed to improve comparative data collection and should help water companies identify and adopt best practise from across the wider sector.

3. UU's draft Vulnerability Strategy 2024

Steph Smith (SS) took the group through UU's draft vulnerability strategy. OFWAT's new license conditions require water companies to set out how they will support vulnerable customers. OFWAT's expectations are set out in its vulnerable customer guidance. OFWAT requires water companies to submit their strategy by June 2024.

Q. TA welcomed the quality of the presentation and asked what priority services means and how UU intends to measure what success looks like.

A. SS advised that UU is looking to expand the priority services register to over 650,000 households by 2030. Priority services are designed to meet the needs of North West residents who need some extra help when there are issue with the service.

Q. DT also commented about the engaging presentation. DT stated that collaborating with other partners is the key to ensuring that vulnerable residents can access support opportunities. Ensuring customers understand these support opportunities is a continuous communication process. DT also acknowledged UU's work to create a combined utilities customer priority service register.

Q. SC also welcomed this initiative (vulnerability strategy) at a time when households are experiencing ongoing, severe financial hardships. SC also reiterated that the North West's support organisations are keen to work with UU to help support vulnerable households.

Q. JL asked if the systemic weather changes mean that some households may experience worse impacts than others i.e., similar households but in different parts of the North West. JL also asked if the name (vulnerable) may result in some eligible households not seeking appropriate help.

A. MG advised that UU analyses data to ensure that customers most likely to be affected by low water pressure or excessive wastewater discharge are given priority and that priority services register data forms part of that analysis.

DT advised that the focus is now on long term health conditions rather than on disability. This is proving effective in communications that highlight support services.

4. Customer License conditions update

MG presented an outline of OFWAT's new water company license conditions that place an onus on companies to provide good outcomes to all their customers, including those who are most vulnerable, and importantly evidence that they are doing so in practise. These new customer licence conditions give Ofwat the power to act where a company has failed to deliver good service. These conditions come into effect on 12 February 2024. UU self-assessment against these new customer conditions confirm that the company is already compliant with over 90% of these new criterions.

UU colleagues are scheduled to meet with OFWAT to discuss these compliance findings and UU will report further to Your Voice about these discussions. **(Action: future agenda item).**

Q. JL asked how these new customer licence conditions will influence UU's future business planning decision making options.

A. MG advised that these customer license standards represent a minimum level of customer service, and that UU is focusing on how it can achieve leading sector and other sector best practise customer service standards.

5. Business Plan update

JB advised that UU had received limited feedback about its business plan submission. OFWAT had raised specific data clarification points and had recently raised a number of API questions.

OFWAT are looking at the quality of the sectors plan submissions and also the ambition underpinning each company's submission. The process should follow this sequence:

- UU expect to receive OFWAT's formal response to its business plan by June 2024.
- UU will then have until August 2024 to respond.
- OFWAT and CCW are planning a further round of customer engagement in June 2024.
- Following UU's response to OFWAT's view of the business plan, UU expect to meet OFWAT in September 2024 to discuss the proposed draft determination.

BL advised that CCW made a positive report about how ICG's had been involved in the business planning process.

6. Sub Group Chair feedback.

DT stated that the A&V Panel's members continue to highlight concerns about the cost-of-living crisis. DT also highlighted UU's outreach work and how that can align with the work of the panel's membership.

SC stated that CESG are focusing upon how its members can support UU's five county strategy. In addition, the group continues to focus its work on 'Your Water Your Say' strategic planning.

JL advised that SESG are keen to ensure that UU makes full use of existing consultation and engagement forums.

7. Chair feedback.

BL attended a ICG chair's meeting to discuss the draft CCW report into the future role of ICG's across the country. The report is still in draft, and the recommendations are not currently in the public domain. The report considered the role of ICG's within the business planning process (PR24) and will consider the value of that going forward.

Nationally, and across the water sector, there is a divergent view of the role and work of ICGs. This is reflected in the amount of resources, the quality and quantity of information available to the independent customer group. Only 5 ICG's provided a business plan assurance statement to their boards. ICG access to boards varied widely. Overall, the report concluded that ICGs work to get water companies to respond to customer priorities. The report also sets out a number of recommendations that CCW intend to discuss with OFWAT and other related bodies (DWI, UK Water, DEFRA).

The report is scheduled for publication within two weeks.

8. AOB

No other business