

Review of Bristol Water's performance during 2019/20

A1: Unplanned customer minutes lost

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
mins/prop/yr	15.5	13.1	73.7	14.7	12.2	11.1

Detailed definition of performance measure: The total number of minutes that customers have been without a supply of water in the year, through unplanned interruptions, divided by the total number of properties served by the company in the year. Expressed as minutes/property; thus low is good. The incentive associated with this commitment is financial (reward and penalty).

Bristol Water achieved a performance of 11.1 minutes per property in 2019/20. This level of performance was better than the 14.7 minutes per property per year achieved in the previous year and continued the improvement in performance seen since 2017/18. It's achievement in 2019/20 meant the company outperformed the target of 12.2 minutes per property per year, the first time this has happened since 2016/17.

Despite outperforming the target there was no financial reward earned for 2019/20 as the result fell in the incentive deadband.

The company's performance against this measure over the five years of AMP6 means it has incurred a total penalty of £2.217m.

The Challenge Panel welcomes the improvement in performance against this measure in recent years. It is pleased to see that company's new network strategy involving leadership changes, a new asset management function, a restructuring of its outsourced contractual arrangements and process and procedural improvements including a new work scheduling system and a cultural shift towards minimising disruption to customers have improved the response to supply interruptions. The company's ongoing mains replacement and relining programmes will have also helped.

Performance against this measure can be significantly impacted by large unplanned supply interruptions. There were no such large incidents in 2019/20.

Atkins has confirmed that the company's reporting process for this measure is robust and the resulting data is sound.

A2: Asset reliability – infrastructure (bursts/low pressure)

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Assessment	Stable	Stable	Marginal	Marginal	Stable	Stable

Detailed definition of performance measure: A qualitative measure of the capability of the company's infrastructure assets (generally the water mains and other underground assets) to deliver an expected level of service to consumers and to the environment. The assessment is based on the number of water mains bursts and the number of properties at risk of receiving low water pressure. The incentive associated with this commitment is financial (penalty only).

The reliability of the company's infrastructure assets in 2019/20 was assessed to be 'stable', achieving the target for the year. This was an improvement on the 'marginal' assessments achieved in 2017/18 and 2018/19, and the consequential failure to meet the targets in those years.

Bristol Water's performance against this measure over the five years of AMP6 means it has incurred a total penalty of £685,000.

Performance in 2017/18 against the low-pressure component of this commitment was better than the previous year. The number of mains bursts in the year was 796, over 25% lower than in 2018/19. The company informed the Challenge Panel that the weather conditions during 2019/20 were more favourable than the year before and this will have helped to reduce the number of bursts.

Atkins confirmed that the company's procedures for reporting low pressure information and bursts were sound and the resulting data accurate.

A3: Asset reliability – non-infrastructure

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Assessment	Stable	Stable	Stable	Stable	Stable	Stable

Detailed definition of performance measure: A qualitative measure of the capability of the company's non-infrastructure assets (generally the above ground assets such as treatment works and service reservoirs) to deliver an expected level of service to consumers and to the environment. The assessment is based on the number of unplanned non-infrastructure asset maintenance events and the turbidity of water at treatment works. The incentive associated with this commitment is financial (penalty only).

The reliability of the company's non-infrastructure assets in 2019/20 was assessed to be 'stable' in line with the target for the year. This assessment has been achieved each year since 2015/16.

There were no issues with turbidity in 2019/20, as has been the case over the last five years.

The Challenge Panel notes however that the number of unplanned non-infrastructure asset maintenance events in 2019/20 was some 14% higher than the previous year.

No penalty was applied in 2019/20, or in the other years of AMP6, because all targets have been met.

Atkins has confirmed that the company's reporting process for these measures are robust and the resulting data are accurate.

B1: Population in centres >25,000 at risk of asset failure

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Pop at risk	288,589	288,589	9,063	9,063	9,063	9,063

Detailed definition of performance measure: The total number of consumers in areas of population greater than 25,000 who are at risk of interruptions to their water supply in the event of a failure of a critical asset such as a treatment works. A low number is good. The incentive associated with this commitment is financial (reward and penalty).

The company's performance in 2019/20 was in line with the target because of the completion of the Southern Resilience Scheme in 2017/18.

No reward or penalty was applied in 2019/20, or in the other years of AMP6, because all targets have been met.

Atkins confirmed that the company's reporting process for this measure is robust and the resulting data is accurate.

C1: Security of Supply Index

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Index	100	100	100	100	100	100

Detailed definition of performance measure: This is the Ofwat measure used to assess the security of the company's water supplies. It takes into account the supply of water available to the company and the demand from its customers. The index is expressed as a percentage. 100% is good.

The incentive associated with this commitment is reputational.

The company's performance in 2019/20 was 100% in line with the target.

Atkins confirmed that the company's reporting process for this measure is robust and the resulting data is accurate.

C2: Hosepipe ban frequency

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Days/year	1.5	3.1	3.1	3.1	10.2	3.1

Definition of performance measure: The likelihood in any one year that temporary usage restrictions such as the use of hosepipes will be implemented. This is expressed as return period in expected days per year for a defined severity of event. A low number is good. The incentive is financial penalty only.

The reported return period for 2019/20 was 3.1 days per year, the same as in the previous three years. The target for 2019/20 was 10.2 days per year so the company's performance remains within this.

No penalty was applied in 2019/20, or in the other years of AMP6, because all targets have been met.

Atkins confirmed that Bristol Water's reporting methodology for this measure is satisfactory and the reported number for 2019/20 is accurate.

D1: Mean zonal compliance

Unit	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Target 2019	Actual 2019
%	99.93	99.97	99.93	99.99	100	99.97

Definition of performance measure: Statutory indicator used by the DWI to assess overall water quality compliance each calendar year across all water companies in England and Wales. Expressed as a percentage; thus high is good. The incentive associated with this commitment is financial (penalty only).

Bristol Water's performance in 2019 against this measure was 99.97% against a target of 100%. Performance last year was 99.99%.

There is no financial penalty incurred for 2019 as performance was within the penalty deadband. The total penalty accrued during AMP6 is £568,000 due to the level of performance achieved in 2015 and 2017.

Performance fell slightly in 2019 as a result of there being four failures on customers' pipework and four associated with issues on the company's network (up from two last year). Nearly 17,000 samples were taken in the year.

taken. Bristol Water informed the Challenge Panel that four failures related to customers' pipework and

Atkins has confirmed the reporting process for this measure is sound and the resulting data are accurate.

The Challenge Panel notes that this indicator will be replaced in AMP7 by a risk-based water quality performance measure known as the Compliance Risk Index (CRI).

E1: Negative water contacts

Unit	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Target 2019	Actual 2019
contacts/year	2,329	2,162	1,711	1,934	2,221	1,712

Definition of performance measure: The number of customer complaints received each calendar year in relation to the taste, colour and odour of customers' water supply. It excludes any discoloured water complaints associated with events notified to the DWI but includes 'air in supply' complaints. A low number is good. The incentive associated with this commitment is financial (reward and penalty).

The Challenge Panel notes that Bristol Water's performance against this measure in 2019 was significantly better than target. The number of negative water contacts decreased by 222 (11%) over 2018 and returned to the level reported in 2017. Performance since the start of AMP6 has improved by some 26%. The Challenge Panel has encouraged the company to do all it could to minimise such contacts and so welcomes this outcome.

No reward was applied in 2019, or in the other years of AMP6, because performance has always been within the incentive deadband.

Atkins confirmed the company's reporting process for the measure and the resulting numbers are robust.

F1: Leakage

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
MI/day	44.2	47.4	49.6	45.8	43.0	40.9

Definition of performance measure: The amount of water that enters the distribution system but is not delivered to customers because it is lost from either the company's or the customers' pipes. Leakage is measured in megalitres per day (MI/d). A low figure is good. The incentive is financial (reward and penalty).

The company reviewed its leakage calculation methodology in 2016/17 and updated and increased its estimate of non-household night use, one of the components that make up the calculation. The company explained in detail in its Annual Performance Report for 2016/17 the rationale for revising its estimate and the comparability and consistency of this with the leakage targets included in its Final Determination. The company also informed Ofwat of its revised assumptions.

In 2016/17 Atkins reviewed the revised estimate, and other adjustments to the leakage methodology made by Bristol Water, and concluded that the basis of the latest reported leakage figure was more aligned to the 2014 Final

Determination performance commitment. It considered the revised methodology and the reported leakage to be robust.

The reported leakage for 2018/19 was 40.9 MI/d, and so outperformed the target of 43.0 MI/d. The latest performance represents a significant reduction in reported leakage since the high point of 49.6 MI/d in 2017/18.

The incentive mechanism for leakage is based on average figures for the five years of the AMP period. The company is assuming the incentives associated with its leakage performance will be calculated with reference to the original Final Determination leakage targets. The associated financial reward earned for 2019/20 is £1.984m based on these targets. Over the AMP6 period as a whole the company has incurred a net penalty of £0.902m.

A year ago Bristol Water informed the Challenge Panel that it was confident of out-performing its leakage target for 2019/20 as it had reviewed and increased productivity, eliminated the backlog of leakage work and increased in-house staff numbers assigned to leakage reduction activities. The Challenge Panel is pleased to see that the company's efforts in assigning more effort and resources to reducing leakage have been successful over the last two years, particularly as leakage had increased between 2016/17 and 2017/18.

Atkins has confirmed that the company's leakage reporting methodology for 2108/19 and the resulting data are robust.

G1: Meter penetration

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	47.3	49.3	52.7	56.0	65.9	59.0

Definition of performance measure: The proportion of total properties of billed household customers that are charged for water on a measured basis. Expressed as a percentage; thus high is good. The incentive associated with is measure is financial.

As reported in previous years Bristol Water made a slow start implementing its plan to install meters on change of occupancy.

The company increased its meter penetration to 59.0% by the end of 2019/20 but fell short of its target of 65.9%. It missed its targets in each year of AMP6.

The associated financial penalty incurred for 2019/20 is £152,000. The total penalty accrued for the five years of AMP6 is £726,000.

During 2016/17 the company developed and commenced a revised metering plan and it invited comments from the Challenge Panel on this. Bristol Water's revised plan was designed to meet the original meter penetration target by 2019/20 but the Challenge Panel considered this to be ambitious. The company did increase its marketing activities during 2019/20 including more advertising and it promoted its 'Beat the Bill' campaign for a second time. The Covid-19 pandemic had a minor impact on performance at the end of 2019/20 but without this the target would still have been missed.

The company has informed the Challenge Panel that, due to the restructuring of its operations, it will have more control over meter fit operations and the end-to-end customer journey in AMP7. It has also further increased its marketing activities and reinstated internal meter fits. It now has a much stronger opportunity to meet the meter installation target. The Challenge Panel will monitor the company's performance in the coming year.

Atkins confirmed that both the company's reporting methodology and the resulting data for meter penetration are robust.

G2: Per capita consumption

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Litres/head/day	141.1	144.1	144.5	148.3	142.0	144.6

Definition of performance measure: The average amount of water (expressed in litres) used by each consumer each day. A low figure is good. The incentive associated with this commitment is reputational.

The per capita consumption reported for 2019/20 was 144.6 litres per head per day. The target for the year was 142.0 litres per head per day so was missed. The reported figure for the previous year was 148.3 litres per head per day so consumption decreased by nearly four litres per head per day per (around 2.5%). Bristol Water informed the Challenge Panel that this was probably weather related with cooler conditions than the year before.

The Challenge Panel has been satisfied that the company has made reasonable efforts to reduce consumption during AMP6. It notes that consumption has been rising generally across the industry. The company plans to influence customer behaviour in the future form part of its customer and community focussed Social Contract initiatives. The Challenge Panel has welcomed this innovative approach and is involved in its planning and the monitoring of performance.

Atkins confirmed that the company's reporting methodology and the resulting data for per capita consumption in 2019/20 were robust.

H1: Total carbon emissions

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
kgCO ₂ e/person	35	32	28	23	20	19

Definition of performance measure: The total carbon emissions from the activities of the company and its contractors expressed in kilogrammes of CO₂ (carbon dioxide) equivalent divided by the population supplied; thus low is good. The associated incentive is reputational.

Bristol Water reduced its carbon emissions from 23.0 to 19.0 kgCO₂e per person from last year (a reduction of around 17%) but outperformed the 2019/20 target of 20 kgCO₂e per person as a result. This was the first time in AMP6 that the target was met.

The company informed the Challenge Panel throughout AMP6 that the use of some standard industry definitions when the targets were set were proving to be too aggressive and could not be met in a cost-effective manner. However, the company made good progress during the last two years in implementing a number of projects to offset the import of energy from grid and lower overall energy consumption. The Challenge Panel welcomed this.

Atkins has confirmed that the company's reporting methodology for this measure is adequate and the resulting number is reasonable.

H2: Raw water quality of sources

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
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%of AMP5 baseline aggregate of algal bloom frequency	+20% Deteriorating	+11% Deteriorating	-1% Marginal	-14% Improving	+/-≤10% for >2years Stable	-25% Improving
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Detailed definition of performance measure: A qualitative measure of the quality of the company’s sources of raw water that are at risk due to increased levels of pesticides and nutrients in their catchments. The assessment is made using a basket of chemical and physiological measures. The incentive associated with this commitment is reputational.

The company agreed with Ofwat a change to reporting this metric, therefore the targets are presented as a % change of the AMP5 baseline aggregate (8,059) of algal bloom frequency. The previous measure was based on a categorisation as either deteriorating, marginal, stable or improving, which the table above shows for comparison.

The quality of the company’s raw water sources in 2019/20 was assessed to be ‘improving’ in line with expectation. This continued the improvement on the positions reported in 2015/16, 2016/17 and 2017/18.

While the Challenge Panel welcomes the improving position on raw water quality it wishes to better understand how performance of this indicator is measured and monitored in AMP7, particularly as the definition of the metric is changing. It will be seeking clarity on company’s use of hard interventions and the promotion of behavioural change by stakeholders (eg farmers) and wishes to review source data and raw water quality sample analysis to see evidence of their impact. It will also explore the relationship between the company’s statutory environmental obligations and any additional environmental improvement work associated with its Social Contract. The company has agreed to engage with the Panel on these issues during the coming year.

Atkins has confirmed that the company’s reporting methodology for this measure is sound and the reported position is correct.

H3: Biodiversity Index

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
Index score	17,649 Improving	17,650 Improving	17,657 Improving	17,657 Improving	17,653 Improving	17,668 Improving

Definition of performance measure: Bristol Water is required to carry out regular surveys at its sites to assess the level of biodiversity. This will involve quantifying the area of specific habitats available, together with their quality, importance and presence of significant species. The company will combine these measurements to create a quantitative “Biodiversity Index” for each of its sites and an aggregate Biodiversity Index for its overall landholdings. The Biodiversity Index calculation is: [Hectares of priority habitat or metres of linear habitat] x [status grade of this habitat]. The targets associated with this commitment are related to the company ‘improving’ its Biodiversity Index each year. The associated incentive is reputational.

The company agreed with Ofwat a change to reporting this metric, therefore the targets are presented as a numerical BI index score. The previous measure was based on a categorisation as either deteriorating, marginal, stable or improving, which the table above shows for comparison.

Bristol Water achieved an ‘improving’ Biodiversity Index in 2019/20, in line with its target. The score increased from 17,657 to 17,668.

The Challenge Panel notes that the company’s biodiversity targets in the next price control period are more stretching. The Panel welcomes this and wishes to better understand the how performance against the Biodiversity Index is measured and assured and how it translates into environmental improvements. It also wishes to review source data and to understand the relationship between the company’s statutory environmental obligations and any additional environmental improvement work associated with its Social Contract. The company has agreed to engage with the Panel on these issues during the coming year.

Atkins confirmed that the company's reporting methodology for this measure and the reported number are robust.

H4: Waste disposal compliance

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	96	96	98	98	100	98

Definition of performance measure: The percentage compliance against environmental standards of waste disposed from the company's operational sites. A high percentage is good. The incentive associated with this measure is reputational.

Bristol Water achieved 98% compliance against the 2018/19 target of 100%, the same performance achieved in the previous three years. Compliance issues at Barrow and more recently new discharge consent at Blagdon have been the causes of failure against this indicator throughout AMP6.

The company has informed the Challenge Panel that intends to implement a remedial scheme for the discharge at Blagdon in 2020/21. The Challenge Panel is very keen to understand the compliance issues at Blagdon, the company's statutory obligations the site and the opportunities for improvements, their timing and linkage to wider customer preferences for the environment. The company has agreed to engage with the Panel on these issues during the coming year.

Atkins confirmed that the company's reporting methodology for this measure is sound and the resulting data is accurate.

I1: Percentage of customers in water poverty

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	0.4	0.9	0.0	0.0	1.8	0.0

Definition of performance measure: Bristol Water has defined water poverty as the percentage of households within its supply area for whom their water charges represent more than 2% of their disposable income, defined as gross income less income tax. A low number is good. The incentive relating to this commitment is reputational.

The reported percentage of customers in water poverty in 2019/20 was 0%, the same as reported each year since 2017/18. The target percentage for 2017/18 was 1.8% so the Challenge Panel was pleased to see performance was well within this and maintains the excellent performance in recent years. The performance target has been met in each year of AMP6.

Atkins has confirmed that the reported number comes from a third-party model and is robust.

J1: Service Incentive Mechanism (SIM)

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
SIM score/ ranking	85 Top 5	86 Top 5	83 Outside Top 5	85 Outside Top 5	88 Top 5	83 Outside Top 5

Definition of performance measure: The Ofwat comparative measure of customer service that includes the number of complaints and unwanted contacts received and the performance in handling telephone contacts. It also includes a survey of customer's views on the service provided by the company. The result is the company's ranking in the industry. The incentive is financial (reward and penalty).

The SIM measure will be replaced by a new common measure of experience (C-MeX) from 2020/21 onwards. To transition from SIM to C-MeX, Ofwat required companies to report against a SIM proxy indicator in 2019/20. The SIM proxy includes a composite quantitative measure relating to the number of contacts received excluding telephone complaints (which were included in SIM). It also includes a qualitative measure comprising one of the survey questions from C-MeX. The SIM target proxy target is the same as for SIM, that is to achieve a level of performance ranked within the industry top five. The SIM proxy has a reputational incentive assigned to it, unlike SIM which was financial.

Thus the company's SIM proxy score for 2019/20 is not comparable with its SIM performance in previous years.

The Challenge Panel is disappointed that the company's SIM proxy performance of 83 in 2019/20 is likely to fall outside the industry top five (based on provisional industry data sharing and assumptions). It is also less than the original SIM target of 88 for 2019/20 (the previous year's upper quartile SIM score) although the actual and target figures are not comparable for the reasons described above.

There is no financial penalty accrued for 2019/20 because the incentive associated with the SIM proxy is reputational. However, under the PR14 incentive regime the company will benefit from an adjustment of £84,000 due to achieving an average industry SIM ranking of 8th over the first four years of AMP6 and using its industry position regardless of whether the annual SIM target was met.

The company told the Challenge Panel that its SIM proxy performance in 2019/20 had been affected by significant customer service challenges resulting from the implementation of its new operating model in October 2019. This model transferred the ownership of work planning and scheduling activity in-house. BW believes the new model is the best for the company and for customers but there were some teething issues. The speed with which issues were resolved dropped and this had a knock-on detrimental effect on the customer perception of the company. Urgent issues were dealt with well but some routine activity was adversely affected.

The Challenge Panel was pleased to learn that these issues had been resolved by end of 2019/20 and it hopes that customer service performance will improve in the coming year. Through its shadow reporting against C-MeX in 2019/20, the company can show that its customer service performance is reasonably good in comparison to others in the industry.

The Challenge Panel is also encouraged that Bristol Water's customer service performance as measured using non-regulated metrics such as CCW's Water Matters research, ICS Business Benchmarking Surveys and the numbers of negative billing contacts and written complaints shows improvement over recent years and, in the case of the ICS metric, utility industry leading performance.

Atkins informed the Challenge Panel that the reported SIM proxy performance in 2019/20 is robust.

J2: General satisfaction from surveys

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	83	86	87	89	>93	87

Definition of performance measure: The percentage of customers responding to the company's annual household customer tracking survey who rate their satisfaction in respect of the company's service as excellent, very good or good. A high percentage is good. The incentive is reputational.

Bristol Water achieved a satisfaction score of 87% in 2019/20, two percentage points lower than the previous year. The 87% satisfaction achieved also fell short of the 2019/20 target of greater than 93%. In spite of performance at the end of AMP6 being four percentage points higher than at the start, the targets have been missed in all years during the period.

The Challenge Panel considers that customer satisfaction during 2019/20 may have been adversely affected by the significant operational changes it implemented during the year and the associated challenges it faced during transition. The Challenge Panel was assured by the company that these issues were resolved by the end of the year.

The company has suggested decrease in score compared to the previous year may have been caused by an increase in the number of customers who responded with "don't know" and "neither good nor poor" in the surveys. The Challenge Panel continues to encourage the company to investigate and reduce the number of such responses wherever possible.

The Challenge Panel notes that Bristol Water has invested in new systems and processes in recent years to improve customers' experience through initiatives including the improvement of its digital offering and its street working activities. It has also made its website more accessible to customers with disabilities. As such it was disappointed that the level of general satisfaction as measured by this indicator has fallen. However, as the survey associated with this indicator includes a random sample of customers, regardless of whether they have contacted the company or are bill payers, the Challenge Panel accepts that such investment may not entirely influence the outcome against this metric.

Atkins confirmed that the reported data for this indicator were taken from the associated survey commissioned by the third-party provider.

J3: Value for money

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	70	72	69	68	72	75

Definition of performance measure: The percentage of customers who consider that the company provides good value for money. The measure is calculated from an independent survey of 200 customers each month who have had cause to contact Bristol Water on an operational issue. A high percentage is good. The associated incentive is reputational.

Bristol Water has reported a 75% performance for this measure in 2019/20 against a target of 72%. Performance improved significantly from 68% the year before and exceeded the previous high of 72% in 2016/17. The Challenge Panel was pleased that the target was met in 2019/20 for the first time in three years.

The Challenge Panel believes the decreased publicity around re-nationalisation of the water industry after the General Election in 2019 and the lack of fines imposed on other water companies for poor performance may have had a beneficial impact as it appears that the perception of increased value for money is being replicated across the industry.

The Challenge Panel notes that value for money will also be a Performance Commitment in the next AMP period and so welcomes the company's improved performance against this indicator in 2019/20.

Atkins confirmed the company's reporting methodology and resulting data for this measure are robust.

K1: Ease of contact from surveys

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
%	95.0	94.4	93.1	91.4	>96.5	91.8

Definition of performance measure: The percentage of consumers who consider that Bristol Water is easy to contact by telephone, based on responses to a monthly telephone survey. Thus a high percentage is good. The incentive is reputational.

Bristol Water achieved a slight improvement in performance for this measure from the previous year. However its score of 91.8% fell well short of the target of greater than 96.5%. The target has been missed in each year of AMP6 and performance at the end of the period was over three percentage points lower than at the start.

The Challenge Panel noted last year that Bristol Water was striving to improve its customer service by making it easier to respond to enquiries but that this was proving to be a challenge. The company implemented further improvements in 2019/20 to ensure customers' queries were dealt with effectively and resolved at the first opportunity. These improvements involved more staff training and better IT systems and working methods. Therefore the Challenge Panel is disappointed that these initiatives did not translate into improved performance against this metric.

The company has suggested that customers respond to this survey by considering their whole experience of the company, rather than just through their telephone interactions. It has also pointed to general reduction in telephone contact and more use of digital contact methods.

The Challenge Panel is unable to comment on these assertions but is encouraged to see that, in the ICS Business Benchmarking Survey in late 2019, Bristol Water was ranked top in the utility sector for "makes it easy to contact the right person to help".

Atkins confirmed the reporting methodology and resulting data for the ease of contact from surveys indicator are robust.

L1: Negative billing contacts

Unit	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Target 19/20	Actual 19/20
contacts/year	2,301	3,096	2,300	1,595	2,170	1,274

Definition of performance measure: The number of 'unwanted' calls received by Bristol Water relating to specific billing related issues. The definition of unwanted calls is taken from the Ofwat definition used for the SIM. A low number is good. The incentive is reputational.

Bristol Water reported 1,274 negative billing contacts in 2019/20, some 300 fewer than in 2018/19 (1,595) and well below the target of 2,170 for the year. The target was met in four out of the five years of AMP6.

The Challenge Panel was pleased that performance has improved markedly since the level in 2016/17 and that the focus the company gave to customer service and the initiatives such as proactive text messaging proved to be effective.

The Challenge Panel notes that Atkins have confirmed the reporting methodology and resulting data for this measure are robust.