

Minutes of Meeting 6 – 25th January 2017

Attendees

Peaches Golding OBE	Chair	Keith Hutton Item 4 onwards	Bristol Water (BW)
Tony Denham	Deputy Chair	Ben Newby	Bristol Water
Jeremy Hawkins	Report Writer	Sue Clarke	Bristol Water
Dr Mark Taylor	Natural England (NE)	Dani Emerson	Bristol Water
Jeremy Bailey	Environment Agency (EA)	Mick Axtell Items 1 to 3	Bristol Water
Cllr Robert Cleland	North Somerset Council (NSC)	Lucy Farrow	Dialogue by Design (DbD)
Dr Tabinda Rashid-Fadel	University of the West of England (UWE)	Liz Cornwell Item 4 only	Bristol Water
Cllr Mhairi Threlfall Items 1 to 4	Bristol City Council (BCC)	James Holman Item 5 onwards	Bristol Water
Michael Barnes	Consumer Council for Water (CCW)		

Apologies

Sue Evans	Citizens Advice (CA)	Prof. Chad Staddon	University of the West of England (UWE)
Chris Giles	Avon Wildlife Trust	Dr Danielle Wain	University of Bath (UB)
Mike Bell	Consumer Council for Water	Luke Hasell	The Story Group
Alison Sleightholm	Western Power Distribution (WPD)	David Wilson	Duchy Home Farm (DH)
Alex Hastings	Independent (AH)		

Minutes

<p>1. In camera session before main meeting</p>	
<p>Minutes are confidential and not published.</p>	
<p>2. Welcome and Introduction from the Chair</p>	
<p>The Chair welcomed Panel members and BW to the meeting.</p> <p>The Chair provided an overview of the Panel’s activities since the last meeting in December. These included attendance at BW’s environment tripartite meeting and the Panel’s Customer Engagement Sub-Group meeting earlier this month at which attendees received a good introduction to valuation techniques from NERA as well as reviewing BW’s proposed customer engagement framework. .</p> <p>The Chair attended a meeting at Ofwat with other CCG Chairs at which the need for more transparent and stretching outcome delivery incentives, asset health, cost of water, affordability, willingness to pay, and vulnerability were discussed</p>	
<p>3. PR19 Customer Engagement</p>	
<p>This part of the meeting was led by DbD. An accompanying slide pack was presented. A detailed BW engagement framework document was also available for reference.</p> <p>The objectives of the session were to obtain the Panel’s views on whether the proposed customer engagement framework was the right approach and how the Panel and BW could best work together to achieve their respective outcomes for PR19.</p> <p>An overview of the proposed customer engagement framework and the way it had been developed was presented including the review of existing BW customer research data and proposed priorities for engagement. These priorities include resilience (drought, leakage and metering), affordability, reliability of service and perception and performance.</p> <p>The Chair observed that BW’s priorities for engagement and the service attributes on which it intends to engage with customers (as presented in Appendix A of its Framework) were primarily its own list and didn’t fully reference Ofwat’s industry concerns such as resilience. DbD replied that resilience has been included but that resilience is considered to be a group of service attributes rather than a single one. BW added that its evidence review shows that customers’ views on resilience are scattered and need to be brought together and built upon. BW also added that it has considered Ofwat’s focus for PR19 but agreed it could be better mapped and presented in its Framework document.</p> <p>BW considers that Ofwat wants companies to be equally focussed on a number of areas, not just resilience. Some areas are more mature than others. Resilience is currently less mature. The Chair added that customers’ maturity in terms of their understanding of the service received also varies and the company should be considering the things customers know and those they don’t know.</p>	<p>Action: BW</p>

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<p>the timing of the sub-group meetings in relation to BW internal reviews and the benefits of engaging with the Panel before the BW review. BW will consider this.</p> <p>The Chair suggested the Panel’s focus will be on the selection of attributes and priorities (and how these change over time), the incorporation of cross cutting themes such as environment, climate change, health, etc, the use of comparators both in sector and outside, on-going academic research (eg UWE) and two -way communication with customers and how best to achieve this.</p> <p>EA referred to BW’s slide on Regulator Priorities pointing out these were Ofwat’s priorities only, not EA, NE, DWI or CCW. BW noted this and accepted EA’s offer to help with the identification of environmental priorities.</p> <p>BCC added that local council priorities should also be considered. In fact all stakeholder priorities should be included. The Chair added that part of quality is the way these priorities are valued and managed and that the customer needs to understand what their responsibility is as well.</p> <p>DbD said that the Panel may not hear much from them before the next meeting in May as the initial phase of engagement work will be underway. In the meantime BW would welcome any comments from the Panel on its upcoming activities including customer segmentation, stated preference approach and the use of focus groups. The deadline for feedback is 31 January. Any comments from the Panel should go directly to Dani Emerson.</p> <p>The Deputy Chair noted that BW will be undertaking its planned engagement activities over the next quarter and requested as much notice from BW as possible for future responses from the Panel.</p>	<p>Action: BW</p> <p>Action: BW</p> <p>Action: BW</p> <p>Action: All Panel members</p>
<p>4. Drought Plan engagement</p>	
<p>BW presented a number of slides on its Drought Plan. A copy of the public version of the Plan was available at the meeting.</p> <p>The draft Plan was sent to Defra by 1 January. Security checks are being undertaken by Defra. Permission from Defra to publish for consultation in February 2017 (on the website plus other forms) is expected soon. There follows an eight week consultation period to end of March. An internal BW exercise is planned for 20 March to test the Drought Plan. A Statement of Response incorporating feedback from the consultation is required from BW in May together with an updated Plan. The final Plan will be published in October (five years after previous Plan).</p> <p>BW said its latest Plan is more detailed than the previous one and incorporates the changes to BW’s organisational arrangements and includes more detail on communication channels.</p> <p>The Chair requested a list of consultees for the Drought Plan. BW agreed to supply this.</p> <p>BW was questioned on its approach to the consultation exercise. BW replied that it will be</p>	<p>Action: BW</p>

<p>using various forms of communication such as adverts on buses, social media and through its billing process. BCC asked about the expected level of customer response. The customer response to the last Plan was very limited. BW replied by saying it doesn't have a target for responses but was hoping for a greater response as it will be using its Twitter feed and its online panel. It has yet to decide how to use this panel for this purpose. There is a requirement on companies that all respondents to the consultation are replied to individually, albeit not specific to their comments regarding the consultation.</p> <p>The Chair suggested that BW could extend reach through engaging with gardening clubs, health clubs, leisure centres, etc. There maybe scope for using the customer centre to help by using holding messages to promote the consultation. NSC added that allotment holders could also be consulted. CCW considers it important to tailor communication to individual consultees. UWE said that customers only respond when and if it's relevant to them. BW could put out a simple message to all customers saying that BW would really like to hear from them because the Drought Plan matters to them and to customers and here's how they can respond.</p> <p>BW agreed that it could be more proactive in getting feedback on the Drought Plan and will consider the Panel's suggestions.</p> <p>EA mentioned the proliferation of car washes, wondered what their impact on water supply was and whether BW was engaging with this industry. BW noted this but said that car washes were a non-essential user of water and would be covered by temporary use bans if imposed.</p> <p>NE noted that BW's reservoir control curves and the resulting impact on the environment are not well defined. BW agreed that the evidence base for the curves isn't good. There is scope to improve them but this is unlikely to be completed in time for the forthcoming WRMP update. It may include a commitment in the WRMP to review its control curves.</p> <p>BW invited feedback from the Panel on the non-technical summary of its Drought Plan.</p>	<p>Action: BW</p> <p>Action: BW</p> <p>Action: All Panel members</p>
<p>5. Environment tripartite update</p>	
<p>The Deputy Chair provided feedback from his attendance at the Environment tripartite meeting held on 7 December. His notes of the meeting are on the FTS.</p> <p>The meeting was the first in a series planned by BW and covered the current status of its various environmental commitments and obligations. There was also discussion on how the group could best work together. It was noted that DWI do not attend the group but meet separately with BW. BW will let the Panel know how it will be engaging with DWI as part of the PR19 process and how it will keep the Panel informed of the outcomes.</p> <p>The next meeting is scheduled for 1st March.</p>	<p>Action: BW</p>

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<p>6. Ofwat Consultation</p>	
<p>The Chair referred to Ofwat’s consultation on performance commitments and there was discussion on whether the Panel should respond to Ofwat.</p> <p>BW noted the consultation document includes several obligations on CCGs in holding companies to account. BW agreed to summarise these and send to the Panel for information.</p> <p>BW is responding to the consultation, particularly on Ofwat’s proposals to implement more common performance metrics across the industry. Whilst BW welcomes this, it considers that company-specific metrics are also important and there is a need for Ofwat and the companies to work together to ensure regulatory framework is reflective on what local customers want. BW will share its thoughts with the Panel. BW’s Board will be considering its response to Ofwat next week.</p> <p>The Chair said that the Panel will consider responding to Ofwat on the issues of common and company-specific performance commitments in its in camera session following this meeting.</p>	<p>Action: BW</p> <p>Action: BW</p>
<p>7. In camera session after main meeting</p>	
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