

The Consumer Council for Water's  
Draft Forward Work Programme for England and Wales 2016 - 2019  
FOR CONSULTATION

“Putting consumers at the heart of the water industry”

## Consultation information

### How to respond to this consultation

We want to hear your views on our plans.

Please send your comments by Monday 11 January, 2016 to:

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| Contents   | Page |
|--|------|
| A message from the Chair   | 4    |
| Who CCWater is; What CCWater is trying to achieve; What CCWater does; How CCWater does it  | 6    |
| Key strategic issues   | 8    |
| The Forward Work Programme   |      |
| Key Strategic Issue 1: SPEAKING UP FOR AND INFORMING CONSUMERS   | 9    |
| Key Strategic Issue 2: FAIR AND AFFORDABLE CHARGES THAT ARE VALUE FOR MONEY  | 15   |
| Key Strategic Issue 3: SERVICES THAT ARE RIGHT FIRST TIME  | 18   |
| Key Strategic Issue 4: RESILIENT, SUSTAINABLE, SAFE, RELIABLE WATER SUPPLY THAT IS GOOD QUALITY  | 20   |
| Key Strategic Issue 5: SUSTAINABLE, RESILIENT, SEWERAGE SYSTEM THAT WORKS  | 22   |
| Our research   | 23   |
| How the Forward Work Programme contributes to the achievements of Department for Environment Food and Rural Affairs (Defra) and Welsh Government's wider objectives for the water sector | 24   |
| CCWater's cost   | 24   |

## A message from our Chair

It is a pleasure to introduce our first Forward Work Programme for consultation since my appointment as Chair of the Consumer Council for Water.

My arrival in April 2015 came just a few months after the conclusion of the 2014 Price Review, which was one of the most successful price-setting processes for reflecting the views and priorities of customers.

Strong representation from CCWater, along with Customer Challenge Groups (CCGs), helped to ensure water companies and the regulators, including Ofwat, remained focused on delivering a final deal on price and service for the next five years that most customers told us they found acceptable.

Most customers can look forward to seeing their water bills fall before inflation by 2020, with the commitment of substantial investment in the services that are so essential to all of our lives.

But if the Price Review marked a step in the right direction, many of us recognise that more still needs to be done to ensure customers remain at the heart of the water industry. One of our key responsibilities moving forward will be making sure water companies keep engaging with customers on the key issues and decisions that affect them.

The next few years will also bring a new wave of challenges for the industry and consumers as the water sector continues to evolve.

One of the most significant changes will take place in April 2017 when all eligible businesses and other non-household customers in England will have the opportunity to choose their water and sewerage retail supplier. The new business and other non-household market will make it easier for new market entrants to compete for retail services, which include billing, meter reading and dealing with customer enquiries and complaints. As the independent voice of water customers we've been working closely with the industry and the regulator Ofwat to make sure the concerns and priorities of business and other non-domestic customers influence the rules that govern the market. We want competition to work well for all customers - whether they are eligible to switch in 2017 or not. That's why we will continue to press for strong market rules that protect all customers. We will also work closely with Welsh Government and water companies in Wales to ensure business and other non-household customers see continuing improvement.

Following the Chancellor's announcement in November that the Government wishes to explore the case for providing retail competition for households in England we will make sure that the views of household customers shape decision making on the opening of the market.

CCWater must be ready to meet this and other future challenges. That's why we have already started to centralise our regional complaint handling teams in Birmingham and Cardiff. The restructuring will help us to deal more effectively with the nationwide complaint issues that market reform will trigger. But we will retain a strong regional presence through our Chairs, Local Consumer Advocates and Policy Managers, and a dedicated complaint handler assigned to each company.

But we need your help to ensure that our work is addressing the most pressing issues for consumers, so we can remain a strong and effective advocate. Sharing your views on the priorities we've set out in this document will help us to achieve this.

Work on shaping our Forward Work Programme began back in September when we launched a series of consumer issues workshops with stakeholders across the English regions and Wales. Many important views were exchanged and have been incorporated into the plan but one message came through loud and clear - that the desire to retain a specialist consumer body for the water industry remains as strong as ever.

What is also clear is that consumers want us to continue to speak up for their interests, as well as educate and help inform them on the water issues that are important to them. That's why our Forward Work Programme includes a commitment to improve our engagement with the media, charities, MPs and other community groups that can help us do our job both nationally and locally. Strengthening this network of contacts will help our advice and advocacy to reach even more consumers across England and Wales. In particular, we recognise the importance of raising our profile and engagement with business and other non-household customers, including the small business sector, as the launch of the new retail market draws ever closer.

One challenge we must not shirk is informing and shaping the consumer debate around the resilience of our water and waste services, now and in the future. We must help consumers understand the growing pressures on our infrastructure and what action may be needed to safeguard these services.

More collaborative work will be instrumental in addressing this and other pressing consumer issues, such as making sure those struggling to pay their water bills are aware of the assistance that exists. Our collaboration with water companies has already helped to increase support for the one in eight households who tell us they cannot afford their water bills. This included working closely with 15 companies as they launched new social tariffs with the potential, over time, to reduce the bills of more than 250,000 low-income households. But this is still not enough. Our Living with Water Poverty Research in 2014 revealed awareness of assistance schemes remains too low, so we will continue to work with the industry and other consumer organisations to help even more customers in financial difficulty access the support they need.

We can learn many things from the experiences of the energy sector, including the importance of customer perceptions. That's why we will carry on our work on value for money, which is an issue that a sizeable proportion of water customers remain dissatisfied with.

I'd like to end by paying tribute to my hard-working colleagues who have helped us achieve so much for consumers over the past decade. It's been a challenging year for many people with the restructure heralding difficult but necessary changes to the way we work. But throughout it all they have remained outstanding consumer advocates, helping thousands of customers resolve complaints or enquiries about their water and sewerage services.

As we embark on our second decade I have no doubt CCWater will remain an influential and respected voice for water consumers.

Alan Lovell

Chair

Consumer Council for Water

## Who CCWater is

CCWater is the independent and statutory organisation representing household, business and other non-household water and sewerage consumers across England and Wales. We have offices in both countries and representatives (called Local Consumer Advocates) in Wales and across the regions<sup>1</sup> in England.

## What CCWater is trying to achieve

**CCWater's aim is to put consumers at the heart of the water industry.**

We want the voice of the consumer to be heard in key decisions that will impact them and for consumers to be appropriately informed on water issues. We want household, business and other non-household consumers to get a good, reliable water and sewerage service from their local water company at a price they find acceptable and can afford. We want consumers' concerns to be addressed.

## What CCWater does

We provide a strong voice for consumers by keeping in close contact with local water companies and with consumers themselves. Our research informs us and we make sure that the collective voice of consumers is heard in national water debates and that consumers remain at the heart of the water industry. We provide advice and information to consumers on water matters, which may inform them of their rights, or influence behaviour change – such as on water use. We take up consumers' complaints if they have tried and failed to resolve issues with their water companies.

## How CCWater does it

We can only achieve our objectives on behalf of water and sewerage consumers by working closely with our stakeholders within the UK and Welsh Governments, regulators, the water industry and other consumer organisations. We do this by working locally, regionally and nationally. These stakeholders are:

- The UK and Welsh Governments;
- Regulators (Ofwat, the Environment Agency, Natural England, Natural Resources Wales and the Drinking Water Inspectorate);
- Other consumer organisations such as Which?, Citizens Advice, the Energy Savings Trust/Resource Efficient Wales, Age UK, Age Cymru, Money Advice Service; Essential Services Access Network;
- Business groups such as Federation of Small Businesses, the National Farmers' Union, The Home Builders Federation, and the Food and Drink Federation;
- Water and sewerage companies, including newly appointed water and sewerage service providers and Water UK, the representative of all water and sewerage companies in England, Wales, Scotland and Northern Ireland.

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<sup>1</sup> Information on our regions can be found [here](#)

We work locally with water and sewerage service consumers to listen to their views, answer their enquiries and resolve their complaints about water companies. We use evidence gained from consumer research, market intelligence, cross-utility comparisons, complaints data and feedback from household, business and other non-household consumers to inform our work on behalf of water consumers. Our duty to vulnerable people and the requirement to have regard for sustainable development (i.e. balancing economic, environmental and social aspects) underpin all our activities.

We participate actively in forums and groups that discuss and influence the delivery of good water and sewerage services to consumers, such as the UK All Party Parliamentary Water Group, the Welsh Government Wales Water Forum, the Water Efficiency Evidence Base Steering Group, Water Resources in the South East and Water Resources East Anglia groups, and various UK Water Industry Research steering groups.

We keep a close watch on the development of policies to ensure we understand if any differences between England and Wales are likely to affect water customers on either side of the border.

### How our research informs our work

Our research tells us what is important to consumers and we gather information each year so that we can constantly review what we need to do as a result of the consumer insight gained from our research. Where appropriate, we will work with water companies on areas of joint interest, or work in partnership with other organisations to promote good customer engagement. We aim to increase this collaborative approach where we can - but recognise that our independent voice is also valued by the industry.

## OUR KEY STRATEGIC ISSUES

CCWater's Forward Work Programme is informed by our research of consumers and our complaints work, and is shaped around the issues that are important to water consumers.

Based on this we will use five key strands of work which give us the framework to deliver our work. At stakeholder events during autumn 2015, these five strands were confirmed as appropriate from attendees' knowledge of water consumers and the issues likely to affect the industry.

The five key strands are:

1. **SPEAKING UP FOR AND INFORMING CONSUMERS** by providing a trustworthy, independent voice that informs consumers about key water issues and ensures Governments, water companies and other stakeholders understand water consumers' views;
2. Pressing for **FAIR, VALUE FOR MONEY, AND AFFORDABLE CHARGES THAT ARE ACCEPTABLE TO CUSTOMERS;**
3. Encourage water companies to provide **SERVICES THAT ARE RIGHT FIRST TIME** and sort out problems quickly and without hassle;
4. **A RELIABLE, RESILIENT, SUSTAINABLE, SAFE, GOOD QUALITY WATER SUPPLY** that consumers value and use wisely;
5. **A SUSTAINABLE, RESILIENT SEWERAGE SERVICE THAT WORKS** and is used responsibly by consumers.



## Our Forward Work Programme 2016-2019 - Achieving our Key Strategic Issues

### KEY STRATEGIC ISSUE 1

**SPEAKING UP FOR AND INFORMING CONSUMERS** by providing a trustworthy, independent voice that informs consumers about key water issues and ensures Governments, water companies and other stakeholders understand water consumers' views.

#### What consumers will see as a result of this work:

##### Influencing the agenda

- The consumer view will be considered as governments develop their thinking in advance of upcoming legislation on abstraction reform and upstream competition;
- Any reform of the upstream wholesale water and sewerage sectors, to create new markets or competition, should lead to demonstrable benefits for customers and have adequate protections in place to prevent any loss of service quality;
- The consideration of competition for household customers will bring benefits that outweigh costs;
- We will act if water companies are not responding to the reputational pressure on performance that they need to deliver a good service to consumers;
- Consumers will benefit from any mergers/acquisitions in the industry.

##### Challenging on behalf of Consumers

- Companies will strengthen governance arrangements around their successor Customer Challenge Groups (CCGs);
- Companies will adopt our best practice recommendations as part of our collaborative work with them;
- Water consumers will have access to an inclusive service from their water company;
- Agencies who work with vulnerable consumers, such as Citizens Advice, Age UK, Age Cymru, and Money Advice Service will know about us locally and nationally, and know to seek our advice on affordability, water and sewerage issues.

## Informing consumers

- Consumers, who need us, will know who we are and how to contact us;
- Companies will see the benefit of sharing financial outperformance with customers;
- Consumers will hear key messages through joint campaign work with water companies and other organisations;
- Consumers will be more aware of how the services they receive are delivered, and the external factors that may impact on those services, so that they can make informed choices at the next price review about what they want their companies to deliver;
- Consumers will get the opportunity to hear and see our key messages in broadcast and print media (at least 75 million opportunities);
- Consumers will be able to get the information and advice they need on our website, including through our online water meter calculator and our knowledge database. We will aim to get a total of 500,000 visitors to the water meter calculator on our website.

## Market Reform

- The retail market for business and other non-household customers in England will deliver and meet customers' needs and expectations, but will have considered the effect on those who cannot or choose not to switch supplier;
- Household consumers will be protected from any adverse effects of business and other non-household retail competition being introduced, and will have a voice as household competition is explored and costed;
- Business and other non-household customers will be protected from mis-selling and unfair contract terms; robust marketing controls will be in place and there will be fewer complaints from business and other non-household customers in England than when the energy market opened;
- Business and other non-household customers in England will be aware of their eligibility to switch retailer;
- Business and other non-household consumer satisfaction with water and sewerage services in Wales, where competition remains limited at a threshold of 50 megalitres of water a year, will remain high.

## Why it's important we do this work:

Our 'Uncharted Waters' research<sup>2</sup> identified that most business and other non-household customers support the introduction of retail competition in England as they are looking for price reductions, bill consolidation, consumption savings and the possibility of a better product or service. But they are keen to avoid cold calling, contracts which lock them in or roll-over automatically, complicated tariffs and poor customer service.

We commissioned research to understand the views of business and other non-household water customers in England about the ability for their incumbent water company to exit the business and other non-household retail market from April 2017 (retail exit). We found that: many businesses' preferred outcome would be for their water company not to exit the retail market; customers did see more advantages of a transfer to a licensed retailer that is associated with their local water company, rather than a retailer who is unrelated.

To help with our work on companies' **Codes of Practice** we commissioned research<sup>3</sup> to understand customers' priorities for information, and the channels they are most likely to use for it.

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<sup>2</sup> You can read our 'Uncharted Waters' research [here](#)

Ahead of the next price review in 2019, we carried out our 'Tide of Opinion' research<sup>4</sup> into what engagement and processes at price reviews would give customers most confidence that they are being listened to, and to understand customers' views on what makes a credible Customer Challenge Group. Independence of the CCG Chair allied to strong governance were the key findings.

We carried out research about the **usability of our website**. This gave us recommendations on how we could best serve the needs of all consumers, through our website. Key findings were that we should make the site more navigable; identify, review and revise priority content to make it more relevant and customer friendly; and create two distinct sections for businesses and households.

### How we will achieve this

| Key ✓ = main period of activity    ✓ = indicates on going activity   |         |         |         |                 |
|--|---------|---------|---------|-----------------|
| Influencing the agenda   | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
| Influence key legislation and decision makers on water consumer issues such as:  |         |         |         |                 |
| - the process around when a water company chooses to exit the business and other non-household retail market   | ✓       | ✓       | ✓       | ✓               |
| - the thinking around the introduction of household competition  | ✓       | ✓       | ✓       | ✓               |
| - 2019 price review  | ✓       | ✓       | ✓       | ✓               |
| - Impacts of water resource plans on customers   | ✓       | ✓       | ✓       | ✓               |
| - Influencing the proposed abstraction reform bill   | ✓       | ✓       | ✓       | ✓               |
| - Wales specific legislation such as the environment bill  | ✓       | ✓       | ✓       | ✓               |
| - Implementing non-statutory sustainable drainage systems standards in Wales   | ✓       |         |         |                 |
| - Tackling diffuse pollution   | ✓       | ✓       | ✓       | ✓               |
| Lead the consumer agenda by using insight from our research, consumer knowledge and data to develop rounded views that keep the industry developing with the consumer perspective in mind.   | ✓       | ✓       | ✓       | ✓               |
| Contribute to the ongoing assessment of likely implications of the devolution recommendations regarding water and sewerage services from the Silk Review carried out in Wales and implications on consumers.   | ✓       |         |         |                 |
| Work on the early development of upstream reform, liaising with Ofwat, the UK and Welsh Governments and the industry. Research customer views and evaluate the potential benefits and risks to customers, in order to adequately protect the customers' interests. | ✓       | ✓       | ✓       | ✓               |
| Work on the development of abstraction reform, collaborating with the Environment Agency and National Resources Wales as appropriate.  | ✓       | ✓       | ✓       | ✓               |


























<sup>3</sup> You can read about our 'Information on stream' research [here](#)

<sup>4</sup> You can read 'A Tide of Opinion: The Customer Voice Within the Price-setting Process' [here](#)

Key ✓ = main period of activity    ✓ = indicates on going activity

| Challenging on behalf of consumers   | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
|--|---------|---------|---------|-----------------|
| Work with industry to encourage sound governance arrangements for consumer engagement for future price reviews.  | ✓       |         |         |                 |
| Press for customer engagement to remain a central part of future price-setting process and a key part of the water industry's operation.   | ✓       | ✓       | ✓       | ✓               |
| Attend appropriate committees, groups and forums, including Customer Challenge Groups, to highlight the opinions of water consumers gathered through our research and other evidence.  | ✓       | ✓       | ✓       | ✓               |
| Determine if CCWater can add value in an intermediary role to bring companies, other organisations and consumers together on matters such as best practice, intergenerational fairness of charges, climate change, odour and flooding.   |         | ✓       |         |                 |
| Work with other organisations and the industry to identify vulnerability and provide access to an inclusive service for all water consumers as outlined in the British Standard for inclusive service provision and Ofwat's vulnerability guidelines (expected to be published in early 2016). | ✓       | ✓       | ✓       | ✓               |

Key  = main period of activity  = indicates on going activity

| Informing consumers   | 2016-17   | 2017-18   | 2018-19   | 2019 and beyond   |
|---|---|---|---|---|
| Improve our network of contacts and local engagement (local media contacts, local charities, community groups, British Chambers of Commerce, MPs, local councillors) to increase our reach to as many consumers as possible on matters that are a priority to them. |  |  |  |  |
| Inform consumers and Customer Challenge Groups on how their water company is performing compared to others and hold the industry to account by publishing annually our 'Delving into Water' report.   |  |  |  |  |
| Collaborate with companies and other organisations to inform consumers on the importance of using water wisely, particularly in water stressed areas, and of the links between water and energy efficiency.   |  |  |  |  |
| Increase our signposting activity so that we can guide consumers to best available support and advice.  |  |  |  |  |
| Continue media and social media activity to help consumers to access help and information from CCWater and work collaboratively with others to inform consumers in order to influence behaviour change.   |  |  |  |  |
| Develop a more accessible, informative and navigable website.   |  |   |   |   |
| Seek to ensure that our information and advice is accessible to all customers in a manner that will enable access and engagement (including the delivery of our Welsh Language Scheme obligations).   |  |  |  |  |

Key ✓ = main period of activity    ✓ = indicates on going activity

| Market Reform   | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
|---|---------|---------|---------|-----------------|
| Work with Market Operator Services Limited (MOSL), companies, Ofwat and UK government to design a competitive retail market in England that delivers high standards of innovative services and benefits for business and other non-household customers but does not disadvantage those who cannot or do not switch. | ✓       | ✓       | ✓       | ✓               |
| Work with Welsh Government and companies in Wales to make sure business and other non-household services in Wales are of a high standard and innovative, and that customers ineligible for competition are not disadvantaged.   | ✓       | ✓       | ✓       | ✓               |
| Inform the development of the business and other non-household retail market in England with customer evidence from our 'Uncharted Waters', 'Testing The Waters' and 'Exit Strategies' research to avoid problems customers experienced as competition rolled out in other sectors, such as energy.                 | ✓       | ✓       | ✓       | ✓               |
| Monitor the business and other non-household retail market and work with others to address problems identified from complaints including those that affect border customers and feed lessons learned to discussions on market reform and also to devolution in Wales.   |         | ✓       | ✓       | ✓               |
| Work with MOSL, Ofwat and companies to develop a coordinated campaign to raise business and other non-household consumer awareness in England about the forthcoming competition changes.  | ✓       | ✓       | ✓       |                 |
| Work with companies to inform eligible business and other non-household customers of the opportunity to switch suppliers as part of market reform and make sure independent information is available on the registration and switching process.   | ✓       | ✓       | ✓       | ✓               |
| Work with Ofwat and Government so household customers' views shape the Government's decision over retail competition for households.  | ✓       | ✓       | ✓       | ✓               |

## KEY STRATEGIC ISSUE 2

Pressing for **FAIR, VALUE FOR MONEY, AND AFFORDABLE CHARGES THAT ARE ACCEPTABLE TO CUSTOMERS**

What consumers will see as a result of this work:

### Acceptable and affordable bills

- More customers will receive a quality of service that they consider represents good value for money in return for the bill they pay; satisfaction levels will increase above the current level of 75%<sup>5</sup>;
- Consumers will be at the centre of the 2019 Price Review planning process; we bring robust challenge and information to each company's successor Customer Challenge Group (CCG);
- All key parties in the 2019 Price Review (successor Customer Challenge Groups (CCGs), water companies, governments and regulators) will be focussed on how to deliver outcomes that customers will accept and find affordable;
- Customer concerns around having affordable bills will be tackled; the proportion of customers who find their bills affordable will increase beyond 77%<sup>6</sup>.

### Fair charges

- The percentage of customers who think their water bill is fair will continue to rise from the current figure of 68%<sup>7</sup>;
- Companies will amend their charges schemes as a result of us identifying issues, sharing best practice and pressing for improvements.

### Help for those struggling to pay

- Companies will implement and refine social tariff and other assistance schemes which meet the needs and expectations of customers. The number of companies offering social tariffs will increase as will the number of customers helped through existing schemes;
- More customers will be aware of the financial help available, particularly from water companies, regarding affordability and debt, and will have easy access to the assistance.

### Sharing financial outperformance

- Where evidence shows water companies have financially outperformed Ofwat's assumptions on debt costs, inflation and tax, they will share this success with customers through bill reductions, extra investment, help for vulnerable customers and/or service improvements.

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<sup>5</sup> Figures taken from 'Water Matters' research (see page 17)

<sup>6</sup> Figures taken from 'Water Matters' research (see page 17)

<sup>7</sup> Figures taken from 'Water Matters' research (see page 17)

## Value for money

Water companies will be using customer segmentation to target improving customer satisfaction with value for money of water and sewerage services for their household, business and other non-household customers.

### Why it's important we do this work:

Our annual 'Water Matters' research<sup>8</sup> found that 94% of household customers are satisfied with their water supply and 91% with their sewerage services, and satisfaction with value for money of those services has risen from 69% for water services in 2013 to 75% in 2014 and 71% for sewerage services in 2013 to 77% in 2015. Our 'Testing the Waters' research tells us that since 2012, SME satisfaction with water services and its value for money has remained stable at 88%, but satisfaction with service and value for money for sewerage and surface water drainage services has fallen to 78%.

Moreover, 77% of household customers say their water bill is affordable, but just 68% consider their water and sewerage charges to be fair; average trust scores have remained fairly constant for water and sewerage 78%, whereas trust in energy suppliers is at 74%.

Our 'Living with Water Poverty'<sup>9</sup> research identified that customers were unsure about the help that was available to them as we encourage the companies to find new ways in which to engage with and assist those customers struggling to pay. We also use it to inform our collaborative work, including on best practice with other agencies and organisations to help us tackle affordability not just in water but in other sectors as well.

Taken together, this presents a challenge to companies to improve customers' perceptions about the value for money of the services they receive.

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<sup>8</sup> You can read Water Matters 2014 [here](#)

<sup>9</sup> You can read Living with Water Poverty [here](#)



## How we will achieve this

Key ✓ = main period of activity    ✓ = indicates on going activity

| Acceptable & affordable charges  | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
|--|---------|---------|---------|-----------------|
| Challenge companies to meet consumer expectations on affordability and delivering value for money resulting in acceptable and affordable bills.  | ✓       | ✓       | ✓       | ✓               |
| Improve advice, awareness and access to assistance schemes for consumers who are experiencing affordability issues. Collaborate with companies and consumer organisations to press for data to be shared to help identify people who will benefit from assistance and integrate fuel and water poverty messages.                         | ✓       | ✓       | ✓       | ✓               |
| Work with companies as they develop or enhance social tariff schemes and other assistance schemes. Review how they meet government guidance and identify improvements to maximise assistance to those in need.   | ✓       | ✓       | ✓       | ✓               |
| Work with Welsh Government, Ofwat, water companies in Wales and consumer organisations on delivering principal actions from the Water Strategy for Wales to address the key issues regarding access to affordable water and sewerage services, tackling debt, ensuring a strong customer focus and promoting the efficient use of water. | ✓       | ✓       | ✓       | ✓               |
| Press companies to increase the use of customer segmentation in their approach to improving satisfaction regarding value for money with water and sewerage services for household, business and other non-household customers.   | ✓       | ✓       | ✓       | ✓               |
| Represent water consumers' interests in charging matters to water companies, regulators and government, and share best practice.   | ✓       | ✓       | ✓       | ✓               |
| Press for consumers' views to continue to be represented for the 2019 Price Review.  | ✓       | ✓       | ✓       |                 |
| Monitor companies' performance against ODI commitments.  | ✓       | ✓       | ✓       | ✓               |
| Work with companies, Ofwat and Customer Challenge Groups (CCGs) on a mechanism for sharing the benefits of financial outperformance with customers.  | ✓       | ✓       | ✓       | ✓               |

## KEY STRATEGIC ISSUE 3

Encourage water companies to provide **SERVICES THAT ARE RIGHT FIRST TIME** and sort out problems quickly and without hassle

### What consumers will see as a result of this work:

#### Our performance standards\*

- 99.5% of complaints responded to in 5 working days;
- 79% of cases will be resolved in 20 working days;
- 91% of cases will be resolved in 40 working days.

#### Our satisfaction standards\*

- 75% of customers will be satisfied with our complaint handling;
- 61% of customers will be satisfied with the outcome of their complaint;
- 80% of customers will be satisfied with the speed of our service.

*\*We will review our Operational Business Plan figures for 2016-19 annually to work towards meeting and/or exceeding the previous year's actual achievement.*

#### Driving up company performance

- Companies which are highlighted as poor performers in our annual complaints report or by the numbers of complaints we receive against them or in Ofwat's Service Incentive Mechanism (SIM)<sup>10</sup>, will commit to improve and provide evidence of their improvements. As a result the number of complaints they receive will reduce;
- Underperforming companies will adopt the recommendations arising out of our complaint and debt assessments. We will identify good practice and share it with companies at the assessments themselves and with the industry through our published report. As a result the number of complaints received by the poorer performers will fall and close the gap to the better performers;
- Consumer satisfaction with services will continue to improve from the current figures of 94% (water) and 91% (sewerage).

#### Ensuring business and other non-household retail competition delivers

- Consumer concerns will be addressed and lessons learnt from problems encountered in other sectors, such as energy and an effective Code of Practice on Marketing will be in place.

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<sup>10</sup> SIM is designed to improve the level of service that water companies provide

## Why it's important we do this work:

The way service issues and complaints are handled by water and sewerage companies is a major influence in determining how satisfied a customer feels about the quality and value for money of the services they are receiving from their company.

## How we will achieve this

In 2015 we restructured our complaint handling teams to help us better deliver our key activities below. We are committed to maintaining an effective local working relationship with companies and as such each company has been provided with a named member of staff, who will act as a liaison point for discussions between a company's complaints management team and our local Committee Chair, policy staff and Local Consumer Advocates.

| Key ✓ = main period of activity    ✓ = indicates on going activity  |         |         |         |                 |
|---|---------|---------|---------|-----------------|
| Services that are right first time  | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
| Help household and business consumers with their enquiries and resolve their complaints with water companies in a timely and effective manner.  | ✓       | ✓       | ✓       | ✓               |
| Press companies to deliver better services and performance for consumers, by CCWater sharing best practice and establishing measures of service and performance improvements so consumers' need to complain reduces.  | ✓       | ✓       | ✓       | ✓               |
| Conduct complaint handling and debt recovery audits at companies to enable us to monitor companies' performance, report on good practice and improvements that should be made.  | ✓       | ✓       | ✓       | ✓               |
| Escalate a consumer's complaint to Water Redress Scheme (WATRS) as appropriate.   | ✓       | ✓       | ✓       | ✓               |
| Respond effectively to enquiries and complaints from business and other non-household consumers regarding eligibility and switching suppliers arising from the new competitive market arrangements in England. Ensuring business consumers in Wales are given the correct advice. | ✓       | ✓       | ✓       | ✓               |
| Press for SIM to recognise that customers want to make complaints using whatever channel they prefer and for complaints to be given equal focus regardless of how the complaint is made.  | ✓       | ✓       | ✓       |                 |
| CCWater will continue to review its complaint handling performance to deliver against its aim of working towards meeting and/or exceeding previous year's actual achievement.   | ✓       | ✓       | ✓       | ✓               |

## KEY STRATEGIC ISSUE 4

**A RELIABLE, RESILIENT, SUSTAINABLE, SAFE, GOOD QUALITY WATER SUPPLY** that consumers value and use wisely

### What consumers will see as a result of this work:

- Companies will maintain the high level of consumers who are satisfied with the reliability of their water supply. At the moment, 97% of domestic customers are satisfied (compared to 92% in 2010)<sup>11</sup> and 88% of business and other non-household customers are satisfied (compared to 97% in 2012);
- Companies' supply networks will be more resilient and allow for the provision of a safe and reliable supply of water to consumers;
- Key decision makers will be informed about the potential customer impacts of new or changing policies, for example proposals for abstraction reform;
- Water Resource Management Plans<sup>12</sup> will show how consumers' needs and priorities have been considered and most sustainable options chosen;
- Consumers will be better informed about their company's policy and performance on leakage. Companies will provide information on their website and in their billing information;
- Consumers can recognise how they can use water and energy wisely and save money. Over time, our tracking research will show an increase in the number of customers consciously taking steps to save water;
- Future compulsory metering programmes will adopt best practice and learn lessons from current programmes.

### Why it's important we do this work:

In order to have a resilient and sustainable supply of drinking water available it is important consumers use water wisely. Our research<sup>13</sup> has shown that 41% of consumers surveyed have not made a conscious decision to use less water over the past three years, with 23% not taking any action to save water.

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<sup>11</sup> Figures taken from 'Water Matters' research (see page 17)

<sup>12</sup> Water companies produce Water Resource Management Plans that set out how they propose to manage water resources over a 25-year time horizon. These plans are monitored by CCWater and others.

<sup>13</sup> You can read 'Using water wisely and attitudes to tap water' [here](#)

## How we will achieve this

Key ✓ = main period of activity ✓ = indicates on going activity

| A reliable, resilient, sustainable, safe, good quality water supply  | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
|--|---------|---------|---------|-----------------|
| Make sure consumers have access to accurate and timely information about drinking water quality and water supply issues (working with DWI and companies).  | ✓       | ✓       | ✓       | ✓               |
| Work with Welsh Government on the development of its long-term strategy to remove the health risks associated with the historic use of lead in plumbing.   | ✓       | ✓       | ✓       | ✓               |
| Make certain the views of customers in Wales are represented during decision making on adoption of private water supply pipes in Wales.  | ✓       | ✓       | ✓       | ✓               |
| Work with companies and other relevant organisations to see that sustainable solutions are found for water supply and waste water issues and in doing so secure customer services and protect the water environment in the long term, while taking account of intergenerational fairness of charges and customers' ability to pay. | ✓       | ✓       | ✓       | ✓               |
| Monitor that companies demonstrate they are adapting to the impacts of climate change by addressing the risks of droughts and flooding on key water assets, the environment and consumers.   | ✓       | ✓       | ✓       | ✓               |
| Continue to engage with Ofwat as it develops a better understanding of what resilience means for the water industry, and press for customers to be central to the plans for taking this forward.   | ✓       | ✓       | ✓       | ✓               |
| Review the implementation of compulsory metering programmes and use lessons learned to inform future programmes.   | ✓       | ✓       | ✓       | ✓               |
| Encourage water companies to prioritise leakage reduction work and inform consumers in a way that meets their expectations.  | ✓       | ✓       | ✓       | ✓               |
| Work with Welsh Government, Natural Resources Wales and Defra regarding the reform of the abstraction licensing system in England and Wales.   | ✓       | ✓       | ✓       | ✓               |
| Encourage company joint working and planning in particular through the Water Resources in the South East and Water Resources East Anglia groups.   | ✓       | ✓       | ✓       | ✓               |

## KEY STRATEGIC ISSUE 5

**A SUSTAINABLE, RESILIENT SEWERAGE SERVICE THAT WORKS** and is used responsibly by consumers

### What consumers will see as a result of this work:

- Companies' sewerage networks will be more resilient and reliable, with incidents of sewer flooding reduced. Performance will be measured by progress towards commitments given by companies in their 2015-2020 business plans;
- Consumers will be satisfied with the response from their sewerage company following a sewer flooding event. Complaints to companies and to CCWater will reduce over the period.

### Why it's important we do this work:

Since 2006 we have tracked domestic customer views on company performance in our Annual Household Tracking Survey. 91% of consumers are happy with their sewerage services but only 75% are happy with the value for money of these services.

Since 2012 we have tracked business and other non-household customer views on company performance. Satisfaction with sewerage services has fallen from 90% in 2012 to 78% in 2014. We use this information to press companies to improve services.

### How we will achieve this

| Key <span style="color: red;">✓</span> = main period of activity <span style="color: green;">✓</span> = indicates on going activity   |         |         |         |                 |
|---|---------|---------|---------|-----------------|
| A sustainable, resilient sewerage service that works  | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
| Challenge water and sewerage companies to resolve sewer flooding problems for consumers delivering against the promised outcomes of the 2015-2020 business plans.                           | ✓       | ✓       | ✓       | ✓               |
| Monitor that companies are adapting to the impacts of climate change by addressing the impacts of flooding and droughts on key sewerage assets, the environment and subsequently consumers. | ✓       | ✓       | ✓       | ✓               |
| Encourage companies to work with others on the introduction and implementation of Sustainable Drainage Systems (SuDS) to reduce or control surface water entering the sewerage network.     | ✓       | ✓       | ✓       | ✓               |
| Monitor that companies are adapting to the impacts of population growth considering the impacts to the sewerage systems, the environment and to consumers of new housing developments.      | ✓       | ✓       | ✓       | ✓               |
| Make sure companies are prepared for the transfer of private pumping stations to company ownership and work with them to identify any customer issues ahead of the transfer.                | ✓       |         |         |                 |

## How our research informs our work

Our research tells us what is important to consumers and we gather information each year so that we can constantly review what we need to do as a result of the consumer insight gained from our research. Where appropriate, we will work with water companies on areas of joint interest, or work in partnership with other organisations to promote good customer engagement. We aim to increase this collaborative approach where we can - but recognise that our independent voice is also valued by the industry.

Key ✓ = main period of activity    ✓ = indicates on going activity

| Research that supports our delivery :  | 2016-17 | 2017-18 | 2018-19 | 2019 and beyond |
|--|---------|---------|---------|-----------------|
| Water Matters - household research on satisfaction and value for money (annual tracker).   | ✓       | ✓       | ✓       | ✓               |
| Testing the Waters - non-household research on satisfaction and value for money (bi-annual tracker).   |         | ✓       |         | ✓               |
| Market Reform Research - research to provide more consumer evidence in this area and to shape the agenda. Research will be done as needed. Completed research includes 'Uncharted Waters'. | ✓       | ✓       |         |                 |
| Water saving activities - tracking customer and consumer attitudes and behaviours in relation to using water wisely and to tap water.  | ✓       | ✓       | ✓       | ✓               |
| Water re-use - build on company research to explore customers' attitudes to the principle of waste water re-use on a large scale.  |         | ✓       |         |                 |
| Post Market Opening Research - to inform an assessment of the implications of market reform changes on water and sewerage consumers in England and Wales.                                  |         |         | ✓       |                 |
| PR19 research - research in preparation for the next price-setting process (possibly jointly with Ofwat and/or the industry).  |         | ✓       | ✓       |                 |

## How the Forward Work Programme contributes to the achievements of Defra and Welsh Government's wider objectives for the water sector

Defra and Welsh Government's wider objectives for water include reducing the risk of flooding (from sewers and more generally), improving water efficiency, tackling debt and affordability, and reforming the water industry. In Wales, this is reflected in the Water Strategy for Wales, and we are committed to working with Welsh Government to help deliver its objectives.

The priorities and activities outlined under each of the five key themes in this Forward Work Programme accord with these governmental objectives.

## What we cost

We have demonstrated, through our real-term cost reductions since we were set up, that we are committed to providing value for money and minimising our costs to water customers.

From 2016/17 CCWater's budget will be funded directly from the forthcoming year's Licence Fee and will match our forecast costs. As a result our License Fee could vary by approximately +/- 1p per customer per annum depending upon the initiatives and activities we plan to undertake, for example during the price review leading up to 2019 our licence fee may increase.

We anticipate our budget for 2016/17 to be approximately £5.13 million.