



# The Consumer Council for Water's Forward Work Programme FOR ENGLAND AND WALES 2018 - 2021

APRIL 2018

SECURING THE BEST OUTCOMES FOR ALL WATER CONSUMERS - PRESENT AND FUTURE

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# CHAIR'S FOREWORD

Welcome to our Forward Work Programme which sets out our aim and priorities for representing the interests of water consumers across England and Wales for the next three years.



It is crucial we get our priorities right to ensure we are focused on tackling the challenges that have the greatest impact on water consumers. This will be especially important during the Price Review, a journey that will influence many aspects of our work until the spring of 2019.

The next price-setting process will be played out against the backdrop of intense public and political scrutiny around the legitimacy of the industry; the value for money it is delivering; and through what model the interests of water consumers would be best served. As the sector responds to this challenge, it should consider that some customers still do not trust water companies<sup>1</sup>; their satisfaction with value for money is lower than for service and even more do not think their charges are fair. One reason is that customers feel water companies are generally untrustworthy, and believe that companies are more concerned with making money than they are about their customers. Over the next two years water companies have a chance to influence public opinion by demonstrating that they are as committed to the interests of consumers as they are to those of their investors.

However, this is not just about where we arrive in 2019 - it's about how we get there.

We want to see water companies engaging with consumers at every stage of the price-setting journey, so they develop business plans that reflect what their customers want at a price they accept. Good communication lies at the heart of this ambition. Companies need to use all of the tools at their disposal - including social media, webchat and text messaging - to gain a better understanding of what matters most to consumers.

We will push each company to deliver a plan that is acceptable to customers, keeping bills as stable and as fair as possible while addressing some of the biggest challenges of our time. One of the most pressing will be strengthening the resilience of our water and wastewater services so they can withstand mounting pressure from our changing climate and population growth. Water companies must strike the right balance between tackling the needs of current and future generations, while providing stable bills in the longer term.

These challenges are not insurmountable if water companies are willing to innovate. We want to see companies learning to be more agile and responsive, seeking out new and innovative ideas rather than relying on more traditional approaches.

<sup>1</sup> Water Matters 2016 - here - Fieldwork took place between 10 October 2016 and 15 January 2017.

## CHAIR'S FOREWORD (CONT'D)

One of the ways in which we've helped to ease the pressure on customers' bills is by challenging Ofwat over its cost of capital. This is the assumption it makes over the cost water companies will incur in providing a return to their lenders and shareholders for funding the investment they make in customers' services. Getting this right is crucial as it accounts for over a quarter of the average water bill. We were pleased to see that Ofwat's assumption, published in December 2017, fell within the range suggested in our own independent report. Meanwhile, water companies that have benefitted directly from regulatory over-generosity at the last price review will come under pressure from us to share those financial windfalls with their customers.

At the same time we'll also continue to make the case to Ofwat that its system of financial rewards and penalties - known as Operational Delivery Incentives (ODIs) - should only reward water companies for exceptional service in the areas that matter most to their customers.

At the heart of our day-to-day work will remain our commitment to ensure water companies get things right first time and give consumers less cause to complain about the service they receive. Our pressure on water companies has delivered big improvements over the past decade but there are signs the industry's progress

has started to stall. Our annual complaints report will remain an important part of our efforts to challenge the poorer performing water companies and work with them to improve their service. We will broaden this report to include all customer contact channels to water companies, including social media, webchat and text messages. This will provide a more rounded view of how companies are performing and where improvements are needed.

We will also publish a separate report comparing the complaints received by retailers operating in the non-household retail water market in England. This will allow businesses to make a more informed decision when choosing their provider and incentivise retailers to deliver a better service. At the time of writing we had experienced a greater than anticipated rise in complaints to us from business customers. We are focusing our efforts on improving the performance of a small number of retailers that are responsible for a disproportionate share of these complaints.

We will continue to monitor the experiences of small and medium-sized enterprises (SMEs) and use these insights to help inform any future UK Government decision on whether to extend competition to domestic customers in England. In Wales, we will focus our efforts on ensuring business customers who are unable to switch retailer continue to

see their services improve and benefit from any insights and innovations the market in England can offer.

Helping more than 3 million households who tell us their water bills are not affordable will also remain high on our agenda. Our work with the industry led all 21 water companies to launch social tariff schemes to help low-income customers. Take-up of this assistance is steadily rising, but with the pot of funding for some of these cut-price tariffs already drying up, there is a real danger the help available will remain a drop in the ocean compared to the number of customers who need assistance. The time has come for water companies to dip into their own deep pockets to increase the financial assistance available to those struggling to pay their bills. Longer term, we will press the industry to identify and implement a more sustainable model of funding that ensures we don't just scratch the surface when tackling water affordability.

These are just some of the priorities we have mapped out in our Forward Work Programme. We hope you will work with us to ensure we remain a powerful and effective champion for water consumers.

Alan Lovell, Chair  
Consumer Council for Water

# WHO WE ARE, WHAT WE DO AND WHAT WE COST

CCWater is the independent and statutory organisation representing household, business and other non-household water and sewerage consumers across England and Wales.

## WHO CCWATER IS

We are often referred to as the ‘water watchdog’. We have offices in both countries and representatives (called Local Consumer Advocates) in Wales and across the regions<sup>1</sup> in England. Our aim is to secure the best outcomes for all water consumers, present and future.

## WHAT CCWATER DOES

We provide a strong voice for consumers by keeping in close contact with local water companies, local companies’ Customer Challenge Groups, retailers and consumers themselves. Our research and company and consumer complaint data informs our work. We make sure that the collective voice of consumers is heard in water debates in England and Wales, and that the best outcomes are secured for consumers - now and in the future. We provide advice and information to consumers on water matters, which may inform them of their rights or influence behaviour change, such as on reducing water use. We take up consumers’ complaints if they have tried and failed to resolve issues with their water companies or retailers.

## ADVOCACY AND PARTNERSHIP

We conduct research, create partnerships with the industry and beyond, and advocate for water and sewerage consumers. In addition to helping with complaints, also core to our work is making the water consumers’ case to governments, the industry regulator Ofwat, local water companies, non-household retailers and our other stakeholders. Where our interests appear to overlap with those of Ofwat and the Drinking Water Inspectorate, we seek to have effective partnerships with those organisations.

## WHAT WE COST

Since we were set up in 2005, we have demonstrated that we are committed to providing value for money and minimising our costs to water consumers through real-term cost reductions. CCWater is committed to keeping costs to a minimum, and has a good track record of this. On average, our licence fee has increased by less than inflation, and is 35% less than if RPI had been applied each year.

Since 2011-12 the cost of our licence fee has remained at 21p per water bill, as we have absorbed inflationary cost increases.

**CONSUMER COUNCIL FOR**



<sup>1</sup> Information on our regions can be found here

# WHO WE ARE, WHAT WE DO AND WHAT WE COST (CONT'D)

For 2018-19, our licence fee is £5.527m, an increase from £5.24m, as a result of inflationary pressures, workload associated with the 2019 Price Review and investment in ICT network infrastructure and systems. Our budget is £5.6m.

## OUR VALUES

Our values define what we stand for as an organisation and guide us in our day-to-day work and decisions.

### KNOWLEDGEABLE

Our work is based on evidence to help us achieve results

### PROFESSIONAL

We consistently deliver our aims by being thorough and efficient

### RESPECTFUL

We treat people fairly and with courtesy, taking account of their individual needs

### OPEN

We are transparent and honest in our dealings with all people



# WHAT WE DELIVERED FOR WATER CONSUMERS IN 2016-17

Our Annual Review is our formal record of what we have achieved working on behalf of water consumers. You can read about our achievements here. During 2016-17 we used our influence to deliver considerable benefits for consumers across England and Wales. Some quantifiable highlights are outlined below. As this Forward Work Programme starts in April 2018 we are producing our next Annual Review for 2017-18.



**OVER 19,000** consumers helped with their complaints and enquiries about water companies. This brings the total number of complaints and enquiries we have handled to around 370,000 since we were formed in 2005.



**NEARLY £1.3 MILLION** of financial redress secured for customers who sought our help resolving a complaint against their water company. This included £71,000 for customers of water companies in Wales. We have returned more than £26 MILLION to customers since our formation in 2005.



**ALMOST £460,000** clawed back in compensation and rebates for business customers through our mediation of disputes with water companies. This included nearly £44,000 for non-household customers in Wales.



**OVER £14.5 MILLION** identified as potential savings for **MORE THAN 265,000** people who used our water meter calculator in 2016-17 to see if they could save money by switching to a meter.



**OVER 3,800** consumers helped to identify potential welfare benefits they may be entitled to totalling **MORE THAN £6.25 million** by using our Benefits Calculator.



**MORE THAN 260,000** low-income households now receiving lower water bills after we worked with water companies to boost awareness of the help available through social tariff schemes.

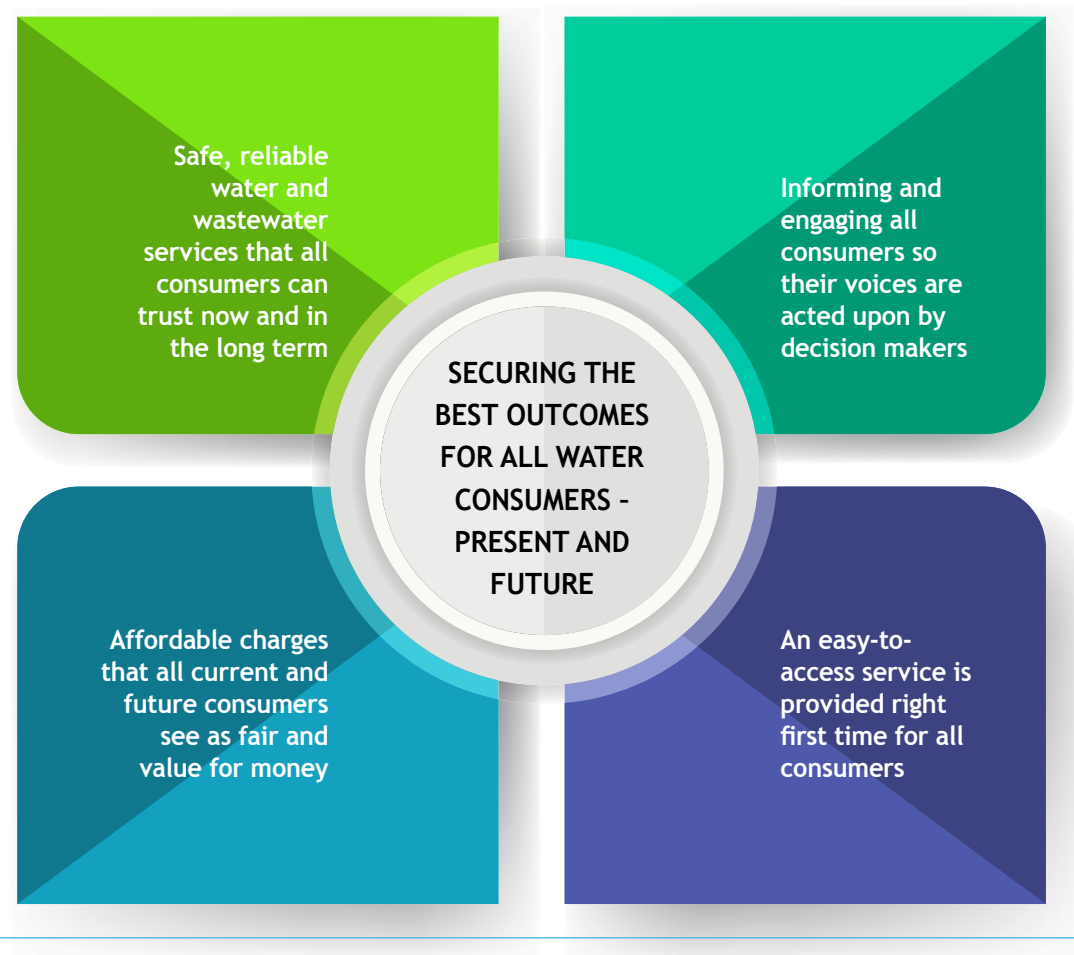


**168 MILLION** consumers potentially heard our consumer advice after a record-breaking year of media work.

# OUR AIM FOR WATER AND SEWERAGE SERVICES FOR HOUSEHOLD AND BUSINESS CONSUMERS AND OUR STRATEGIC PRIORITIES

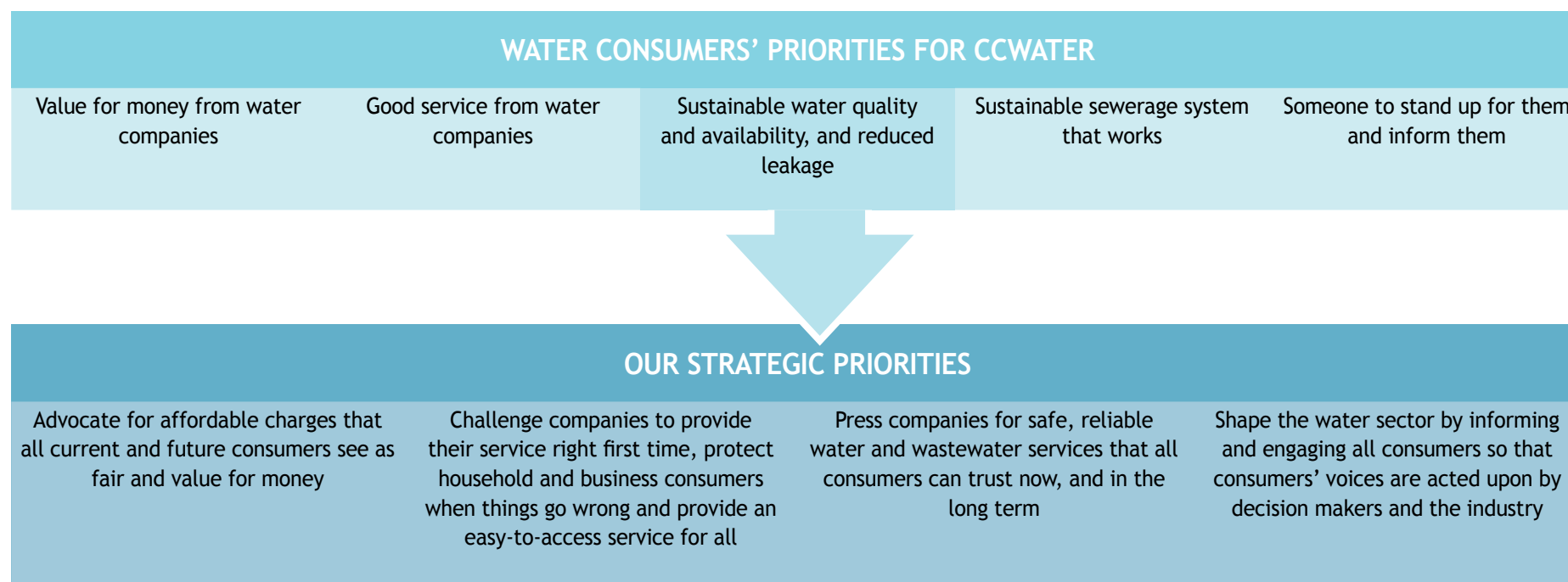
Securing the best outcomes for all water consumers - present and future

We will be challenging the industry as we want to see a great water and sewerage service for everyone that is good value for money now and over the long term; designed with consumers in mind, and in partnership with consumers. This Forward Work Programme is a plan for all in the sector to demonstrate ambition on what can be achieved for consumers.



# OUR AIM FOR WATER AND SEWERAGE SERVICES FOR HOUSEHOLD AND BUSINESS CONSUMERS AND OUR STRATEGIC PRIORITIES (CONT'D)

OUR STRATEGIC PRIORITIES ARE BASED ON CONSUMERS' EXPECTATIONS<sup>1</sup> OF WHAT THEY WANT US TO DO AND THEIR PRIORITIES.



Where we refer to 'all consumers' we mean household, business and other non-household consumers.

<sup>1</sup> Expectations of The Consumer Council for Water. 1.3.2 - [Link here](#).

# HOW WE WILL MEASURE THE RESULTS OF OUR INFLUENCE ON BEHALF OF WATER CONSUMERS - OUR 2018-19 MEASURES

## AFFORDABLE, FAIR, VALUE FOR MONEY CHARGES NOW AND IN THE FUTURE



More consumers rate their water and sewerage bill as value for money, and satisfaction increases in our 2018 Water Matters survey.



The number of consumers who find their bill affordable increases in our 2018 Water Matters survey.

## 2019 PRICE REVIEW

In our 2018 Stakeholder Survey, stakeholders value our contribution to the 2019 Price Review.

# HOW WE WILL MEASURE THE RESULTS OF OUR INFLUENCE ON BEHALF OF WATER CONSUMERS - OUR 2018-19 MEASURES (CONT'D)

AN EASY-TO-ACCESS, RIGHT FIRST TIME SERVICE IS PROVIDED FOR ALL



More consumers become aware of the additional help (priority services) available from companies as reported in our 2018 Water Matters survey.



Consumers get a satisfactory and prompt response from us when complaining about their water company, and we meet or exceed the performance standards outlined on page 26.



Poor performing water companies get it right first time and receive significantly fewer complaints and contacts, as shown in our 2019 Complaints Report.



# HOW WE WILL MEASURE THE RESULTS OF OUR INFLUENCE ON BEHALF OF WATER CONSUMERS - OUR 2018-19 MEASURES (CONT'D)

## SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT CONSUMERS CAN TRUST NOW AND IN THE LONG TERM



Fewer consumers need to complain to CCWater about sewer flooding, and complaint numbers to us reduce below 550 by March 2019.



Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 99 by March 2019.

## INFORMING AND SPEAKING UP FOR CONSUMERS



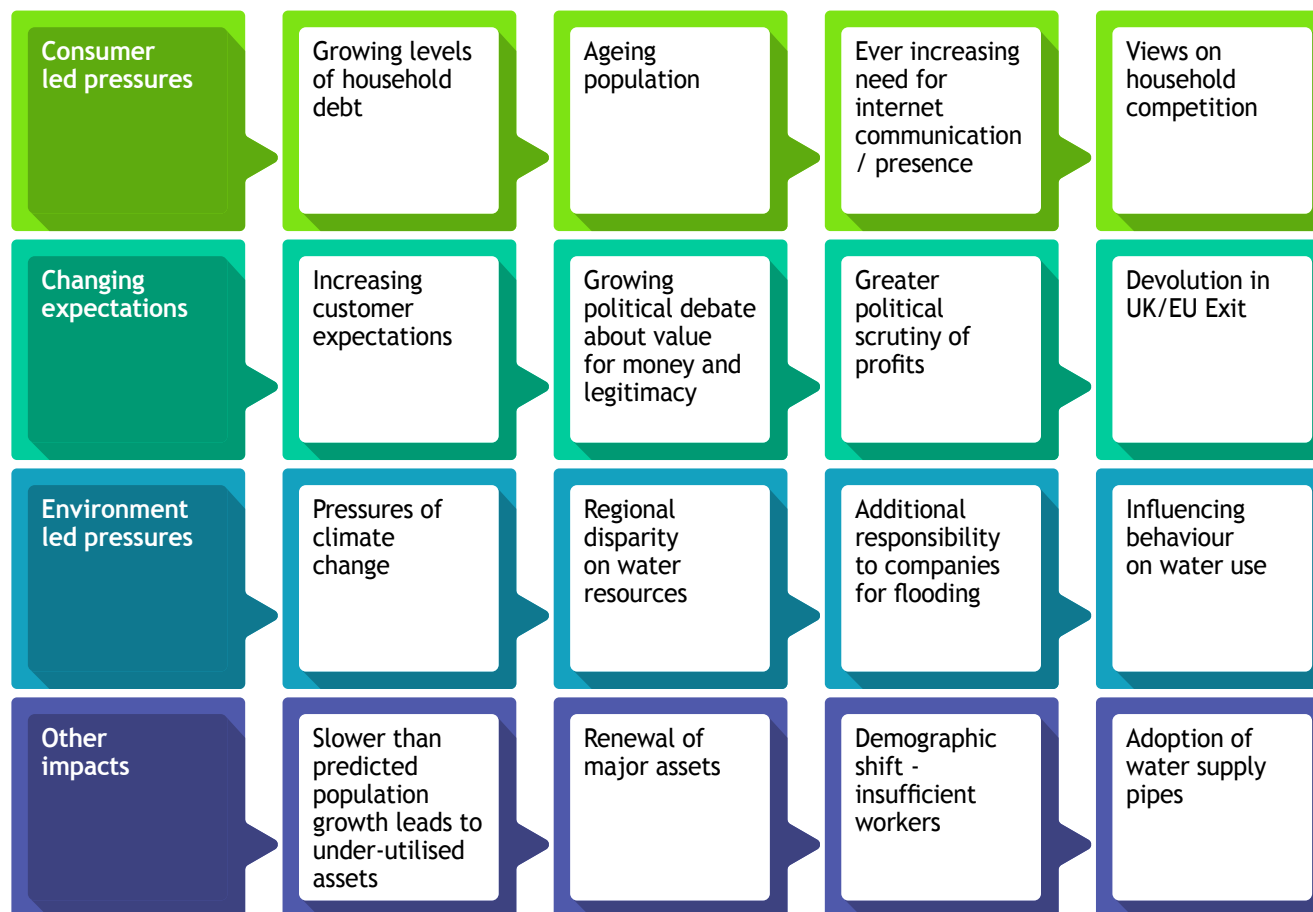
More informed water consumers, with 100m seeing our media messages. We aim to increase our web and social media reach to 2m.

# LOOKING LONG TERM AT THE ISSUES THAT COULD AFFECT THE WATER SECTOR

The water sector has to look long term to plan sustainable water and wastewater assets.

We have looked across a 25-year period to assess the challenges ahead to consider what the sector should be ready for. We should not underestimate the challenge for the water sector in continuing to provide a good quality water and sewerage service in the face of climate change and population growth, pressure on bills and ageing assets. It will take innovative approaches and a desire to pace improvements. We are committed to helping the sector develop its engagement with consumers so that the plans they make over the short term and long term meet consumers' expectations and deliver excellent service and value for money.

We have listed a few of the issues the sector could face, and would need to take notice of over the next few years:



# THE FORWARD WORK PROGRAMME 2018 - 2021 — ACHIEVING OUR KEY STRATEGIC PRIORITIES



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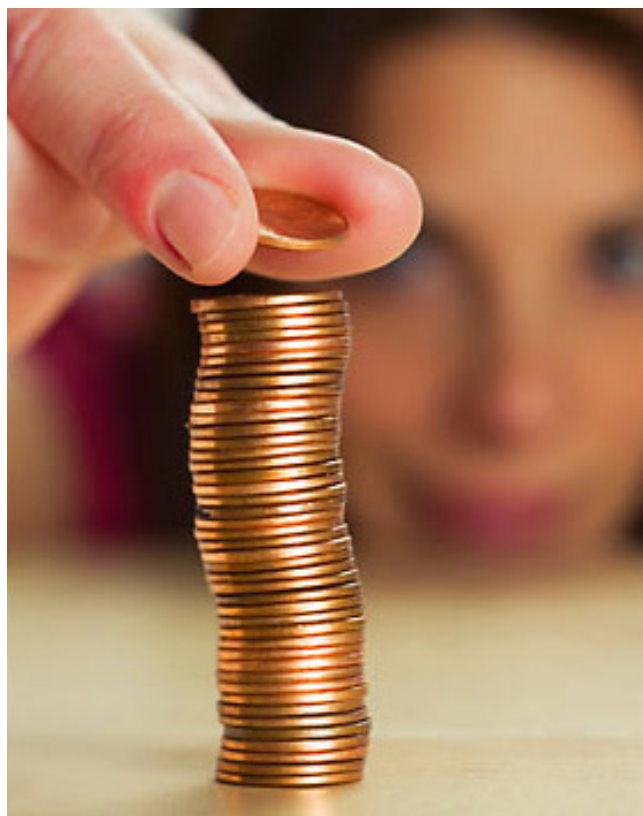
[www.cewater.org.uk](http://www.cewater.org.uk)



# STRATEGIC PRIORITY 1

## ADVOCATE FOR AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY

**Deliverables** - *More consumers rate their water and sewerage bill as value for money and satisfaction increases<sup>1</sup> in our Water Matters survey. The number of consumers who find their bill affordable<sup>2</sup> increases in our 2018 Water Matters survey. In our 2018 Stakeholder Survey, stakeholders state they value our contribution to the 2019 Price Review.*



**The 2019 Price Review** - We will be pressing to see acceptable business plans that reflect what current and future consumers would value and companies that challenge themselves to match the best in the industry.

### PRESSING FOR ACCEPTABLE AND AFFORDABLE BILLS WITH EFFECTIVE SUPPORT FOR VULNERABLE CONSUMERS

One of our key aims in this Forward Work Programme will be to ensure that the 2019 Price Review (PR19) delivers prices and changes to bills that are acceptable and affordable for current and future consumers, and consumers' priorities are reflected in plans. Companies in England and Wales should rise to Defra and the Welsh Governments challenge in each government's Strategic Priorities and Objectives for Ofwat, to plan and invest in a way which offers best value for money over the long term. There must also be effective support for vulnerable consumers (including those with affordability issues), and companies seen to be delivering their consumers' priorities for water and wastewater

services. To achieve this we will continue to work with Ofwat, companies, the Wales PR19 Forum and other stakeholders - pressing both directly and through our key role on Customer Challenge Groups to ensure that companies respond to their consumer evidence and create plans with consumers in mind.

### CHALLENGING ON BEHALF OF FUTURE CONSUMERS SO NEEDS ARE MET IN AN EFFICIENT WAY AND BILLS ARE STABLE

We will be challenging companies to deliver consumers' expectations without increasing bills, while also addressing future challenges (such as climate change, bio-diversity, population growth, and addressing risks to water and wastewater service delivery). To help us achieve this we would like to see Ofwat drive further cost efficiencies across the sector. This drive and a lower cost of capital, companies investing in the future and becoming more efficient and innovative, will increase the likelihood of stable bills into the future. We want to see an appropriate balance between the needs of current and future generations of consumers, and will

<sup>1</sup> 2016 customer satisfaction with value for money was 73% for water (W) & 76% for sewerage (S); Customer satisfaction with services was 93%W and 88%S

<sup>2</sup> 74% of customers agreed their bill was affordable in our 2016 survey

# STRATEGIC PRIORITY 1

## ADVOCATE FOR AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY (CONT'D)

challenge companies to ensure they strike the right approach so that company investment takes a fair view of the right balance of costs to be paid in the short and long term.

### PRESSING FOR CONSUMERS' VIEWS TO SHAPE DECISIONS

We want to see companies demonstrate that consumers' views have been integral to the decisions they have made. Companies will be challenged to demonstrate that performance commitments and any incentives driving their delivery are based on sound evidence of consumers' priorities. This evidence will be gathered by companies engaging with consumers to understand their preferences, priorities and expectations, using a range of different methods of communication and research.

### PRESSING FOR BUSINESS PLANS THAT DELIVER INCREASED CUSTOMER SATISFACTION

Any financial incentive rewards set by Ofwat should only be paid for exceptional performance that delivers tangible benefits for consumers, and should be acceptable to consumers. We will be challenging on behalf of the consumer on these key issues.

### PLANNING FOR THE SHAPE OF CONSUMER ENGAGEMENT IN THE FUTURE

Looking further ahead, as well as considering the lessons learnt from the 2019 Price Review from the consumer perspective, we will review the effectiveness of the local Customer Challenge Groups and consider the future of consumer engagement in price reviews, to provide recommendations for the future.

### Consumer protection — We will press for help for those struggling to pay

#### SHARING GOOD PRACTICE IN HELPING CONSUMERS STRUGGLING TO PAY

Our work with the industry has led to all 21 water companies having social tariffs, and take-up of other assistance schemes has risen rapidly: this is something to celebrate as a step in the right direction. However, some companies still need to make further progress. We will continue to ensure good practice, including that from other sectors, is adopted and shared and that companies use innovative approaches, such as 'moments of change' and 'making every contact count', to reach and help those customers in need of support.



# STRATEGIC PRIORITY 1

## ADVOCATE FOR AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY (CONT'D)

### SHARING THE INNOVATIONS ARISING FROM DATA SHARING DEVELOPMENTS

We will work with the industry, governments and other stakeholders to help ensure the new data sharing provisions of the Digital Economy Act deliver real benefits in terms of the effective targeting of assistance in England and Wales. This will be important as the cost of living rises through fuel price increases and the impact of Brexit on the price of essential items.

### PRESSING FOR A LONG-TERM SOCIAL TARIFF FUNDING MODEL

In some cases companies have exhausted the funding for social tariffs agreed with customers. However, many more customers could benefit from their help. We will encourage companies to do more to contribute to the funding of such schemes but, looking ahead, we want a long-term funding model to be identified and implemented so that customers can continue to access the help they need. We will be working to make that happen.

### REVIEWING CHARGES TO HIGHLIGHT UNFAIRNESS AND GET CHANGES MADE

We will continue our statutory work in reviewing company charging proposals to ensure companies do not introduce charging policies which are unfair or inconsistent with Ofwat's charging rules. This includes ensuring that any changes are implemented in a way which avoids significant bill shocks for any customers. We will also continue to identify and share good practice in charging policy.

### The local perspective

#### CHALLENGING COMPANIES FACE-TO-FACE

We will continue our performance conversations directly with each water company in the English regions and in Wales through our quarterly liaison meetings and our committee meetings in public. These discussions will not only focus on poor performance but on highlighting areas of good performance. Our quarterly liaison meetings allow us to discuss directly issues such as performance on leakage or complaints; affordability initiatives; revisions of consumer policies, such as on debt; and approaches to complaints handling, which will include conversations about individual complaints when needed.

### USING OUR COMPARATIVE DATA TO ENHANCE OUR ABILITY TO PRESS FOR IMPROVED PERFORMANCE

Using our comparative analysis, we will challenge companies (directly and through CCGs) to deliver Performance Commitment targets that compares well to their peer group and other sectors. In CCGs, for example, this will enhance the ability of the group to challenge the company to be the best and move the company away from trying to improve on its own performance without considering where it sits in comparison with the rest of the industry.



## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY	2018-19	2019-20	2020-21	2021 AND BEYOND
2019 Price Review – business plans reflect what consumers want now and in the long term and companies are challenging themselves to match the best in the industry				
CONSUMER PARTICIPATION				
Challenge companies to use a wide range of evidence to establish consumers' priorities and 'willingness to pay', understanding the possibly varied preferences and expectations of different consumer groups.	✓			
Press companies to research and test their Outcome Delivery Incentive (ODI) proposals with consumers - including the principle of using ODIs, the Performance Commitments they are applied to, and their financial value.	✓			
Press companies to test the acceptability of business plan proposals with consumers.	✓			
We will acceptability test draft determinations with each company's consumers.	✓	✓		
Work with Welsh Government and others on its plan to develop consistent messages on how consumers can engage with their water company.	✓			
Discuss with relevant companies how they are reflecting the England and Wales proposed boundary changes <sup>1</sup> in their business plans, and engage with affected consumers.	✓			
Consider the impact of the 2019 Price Review from the consumer perspective.		✓		
Consider the future of consumer engagement in price reviews, after considering the effectiveness of customer challenge groups.		✓		✓

<sup>1</sup> Water companies operating wholly or mainly in Wales or England will work under Welsh law when operating in Wales and companies operating in England will do so under UK law.

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>AFFORDABILITY</b>				
Press for business plans to reflect our priority of a doubling of the help available for those who struggle with affordability issues.	✓			
<b>INNOVATION</b>				
Encourage innovation in responding to customer service aspirations, as well as water and wastewater developments and consumer engagement.	✓	✓	✓	✓
Encourage companies to triangulate varied sources of evidence of consumers' views and preferences to strengthen their business plan proposals.	✓			
Challenge companies to show how they have balanced the needs of current and future bill payers in both the outcome they aim to achieve in the short and long term, and the balance of costs and bill impacts.	✓			
<b>ASSESSING PERFORMANCE</b>				
Using our comparative analysis to ensure companies challenge themselves to deliver performance that compares well to other companies and highlight good performance.	✓	✓	✓	✓
Press for strong performance measures and incentives to:	✓			
(a) drive an increase in the level of customer satisfaction when customers have reason to contact their company;				
(b) drive an increase in customer satisfaction with value for money and service for customers who have not had a reason to contact their company; and				
(c) drive an increase in the number of customers aware that assistance is available for customers in vulnerable circumstances and customer satisfaction that services are easy to access.				

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY	2018-19	2019-20	2020-21	2021 AND BEYOND
Consumer protection – help for those struggling to pay				
AWARENESS AND ACCESS				
Help further enhance awareness and access to assistance schemes for consumers who are experiencing affordability issues.	✓	✓	✓	✓
Help secure the effective implementation and use of data sharing (Digital Economy Act), including in Wales.	✓			
Share innovations and good practice in data sharing.	✓	✓	✓	✓
SOCIAL TARIFFS AND OTHER ASSISTANCE				
Work with companies as they develop, implement, review and enhance social tariffs and other assistance schemes. Monitor the effectiveness of social tariffs and identify improvements to maximise assistance to those in need.	✓	✓	✓	✓
Renew consumer engagement on affordability and consumer expectations around social tariffs - consider what the next generation of social tariffs should look like.	✓	✓		
IN WALES				
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 consumer focus and promoting the efficient use of water.	✓	✓	✓	✓
Press for the continuation of the requirement for English-based landlords of Dŵr Cymru Welsh Water and Dee Valley Water to register their tenants who are liable for the water and sewerage bills to remain after the water boundary alignment has taken place.	✓	✓		
Challenge the company to implement the requirements for landlords serviced by Severn Trent (or a new company under a varied licence) in mid Wales to start registering their tenants who are liable for the water and sewerage bills.				

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AFFORDABLE CHARGES THAT ALL CURRENT AND FUTURE CONSUMERS SEE AS FAIR AND VALUE FOR MONEY	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Fair Charges – helping consumers pay a fair price for the service</b>				
Represent water consumers' and developers' interests in charging matters to water companies, regulators and Governments, and share good practice.	✓	✓	✓	✓
Ensure bill shocks are avoided/mitigated, including for customers in Wales following the acquisition by Severn Trent of Dee Valley and any proposed licence boundary changes in the future.	✓	✓	✓	✓
Ensure customers are aware of options to cut bills, including through metering, surface water drainage rebates and affordability assistance.	✓	✓	✓	✓
<b>IN WALES</b>				
Work with the water companies to ensure that the implementation of the Fire Sprinkler regulations does not result in increased charges for water customers in Wales.	✓	✓	✓	✓
<b>Value for Money - a service that customers think is worth the price</b>				
Raise the industry's aspirations on the value they deliver to consumers, both with each other and with other industries.	✓	✓	✓	✓
Consider how we can compare consumers' views on performance across several industries to get a view of where the water industry stands in consumers' minds in delivering value for money and service.		✓		

## STRATEGIC PRIORITY 2

### CHALLENGE COMPANIES TO PROVIDE THEIR SERVICE RIGHT FIRST TIME, PROTECT HOUSEHOLD AND BUSINESS CONSUMERS WHEN THINGS GO WRONG AND PROVIDE AN EASY-TO-ACCESS SERVICE FOR ALL

***Deliverables:** Poorer performing companies get it right first time and receive significantly fewer complaints and contacts, as shown in our 2019 Complaints Report<sup>1</sup>. More consumers become aware of the additional help available (priority services)<sup>2</sup> from companies as reported in our 2018 Water Matters survey. Consumers will get a satisfactory and prompt response<sup>3</sup> from us when complaining about their water company and we will meet or exceed our performance standards when we handled a consumers' complaint about their water or sewerage company.*

#### PRESSING COMPANIES TO AVOID PROBLEMS THAT AFFECT CONSUMERS FROM OCCURRING

Household and business consumers want water and sewerage services that work first time, which is why pushing water companies on their performance remains a top focus for us. We will protect consumers when things go wrong, but we want companies to think about how their service works at all stages to avoid problems. The Institute of Customer Services<sup>4</sup> found that the strongest performing organisations tend to be effective not just in complaint handling but in proactively preventing problems from occurring. This is why we go into poor performing companies to work with them on what lessons they can learn from the issues raised in complaints.

#### DEMANDING COMPLAINTS NUMBERS ARE REDUCED BY PRESSURING POOR PERFORMERS

Complaints and unwanted contacts are currently one of the key measurements of customer service delivered by water companies. We will be working to ensure the industry brings the numbers of complaints and contacts

down, which will reflect well on the industry and have a reputational incentive on water companies and non-household retailers. After 2020 this focus will change from 'unwanted contacts' to telephone complaints in line with the planned industry changes.

We will be pressing the poor performing companies or retailers to improve and will talk to Ofwat and the sector about industry-wide issues that need addressing. Representing consumers on their complaints is part of our consumer advocacy role. We use the wealth of information we gather through our day-to-day contact with consumers, along with the data from companies about their complaints, to develop a picture of the quality of service each company or retailer is delivering. Once we have that picture we will work with the poorer performers on how to develop their service.

#### PUBLISHING RETAILERS' PERFORMANCE SO BUSINESS CUSTOMERS CAN COMPARE PROVIDERS

For the non-household retail market in England we will publish information about retailers' own complaint



<sup>1</sup> Our Water Industry Complaints Reports are [here](#). During 2016/17 the number of written complaints and unwanted telephone contacts to companies was well over 2.2 million. This is high and we are challenging companies to reduce their complaints.

<sup>2</sup> Customer awareness of priority services was at 44% in our 2016 Water Matters survey. <sup>3</sup> Customer satisfaction with our service and performance against standards is reported [here](#). In 2016-17, 77% were satisfied with the speed of our service. Overall satisfaction was 76%.

<sup>4</sup> Institute of Customer Services' UK Customer Satisfaction Index. [Link here](#)

## STRATEGIC PRIORITY 2

### CHALLENGE COMPANIES TO PROVIDE THEIR SERVICE RIGHT FIRST TIME, PROTECT HOUSEHOLD AND BUSINESS CONSUMERS WHEN THINGS GO WRONG AND PROVIDE AN EASY-TO-ACCESS SERVICE FOR ALL (CONT'D)

performance to incentivise continuous improvements. We will meet locally with those retailers that should be offering better service. We will share the information we gather quarterly with organisations such as Ofwat and Market Operator Services Limited (MOSL) so that we can focus on keeping customer service high more widely in the market.

We will publish an annual complaints report related to complaints to us about the new market to give business customers information about switching and to incentivise retailers to enhance their service. We will also monitor the retail market for non-household customers in Wales to understand what issues are raised by those customers whose eligibility to switch suppliers is based on consumption of 50 megalitres of water or more.

#### PROVIDING GOOD QUALITY HELP AND ADVICE TO HOUSEHOLD AND BUSINESS CONSUMERS WHEN THEY HAVE A COMPLAINT OR QUERY

We will protect consumers when they complain to us about their water company or retailer. We aim to give good quality advice with standards to match. Our own complaint handling performance standards compare well to similar organisations, and we aim to maintain

these high standards. Our role includes assisting business customers with complaints or enquiries about their retailer, as well as providing more general information about the introduction of retail competition and what choices non-household customers now have.

#### CHAMPIONING INCLUSIVE DESIGN AND DELIVERY OF SERVICES FOR ALL CONSUMERS BUT PARTICULARLY THOSE FACING VULNERABLE CIRCUMSTANCES

It is crucial that consumers have easy and convenient access to their water and sewerage services whatever their circumstances. To achieve this we will champion the cause of ensuring inclusivity in the design and delivery of wholesale and retail services, information and policies, and will link with the energy sector.

#### The local perspective - community vulnerability when things go wrong

#### INVESTIGATING HOW COMPREHENSIVE WATER COMPANIES' EMERGENCY PLANS ARE

We will protect consumers by talking to companies about their emergency plans. These plans may be needed when communities are impacted by an incident affecting their water/sewerage services. At that point companies

should make sure consumers know what action they need to take, what help is available, what actions the company is taking to resolve the incident, keep consumers updated on progress to resolve the incident and compensate them fairly, where appropriate.



## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AN EASY-TO-ACCESS SERVICE IS PROVIDED RIGHT FIRST TIME FOR ALL	2018-19	2019-20	2020-21	2021 AND BEYOND
Right first time - consumers do not need to complain because they receive an excellent service from their company				
Publish an annual Complaints and Unwanted (post 2020 telephone) Contacts Report highlighting poor performers, and press for improvements.	✓	✓	✓	✓
Publish an annual Non-household Complaints to Retailers Report.	✓	✓	✓	✓
Publish quarterly monitoring information on complaints to CCWater about the non-household market.	✓	✓	✓	✓
Work with Ofwat and companies to ensure the future C-MeX (customer measure of experience) is effective in improving customer service, increasing customer satisfaction, reducing complaints and delivering benefits for consumers.	✓	✓	✓	✓
Conduct assessments of companies' complaint and debt practices.	✓	✓	✓	✓
Highlight and share good practice and innovations in the spirit of continuous improvement.	✓	✓	✓	✓
Consider how big data is being used in the water industry and whether it is delivering for consumers <sup>1</sup> .			✓	
Business Customers - helping business and other non-household customers receive a good service				
Ensure business and other non-household customers in England and Wales receive good or improved services from their retailers or wholesalers.	✓	✓	✓	✓
Hold frequent business customer forums and use the feedback to inform our work representing customers and pressing for retail competition to deliver the right outcomes for customers.	✓	✓	✓	✓
Advise business customers operating in the Powys area, whose wholesale services are provided by Severn Trent, when they have questions about their ability to access the competitive retail market after the water boundaries change from 2020.	✓	✓	✓	✓

<sup>1</sup> Big data are extremely large data sets that may be analysed to reveal patterns, trends, and associations, especially relating to human behaviour and interactions.

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

AN EASY-TO-ACCESS SERVICE IS PROVIDED RIGHT FIRST TIME FOR ALL	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Help consumers in vulnerable circumstances - helping ensure the needs of consumers in vulnerable circumstances are catered for</b>				
Share good practice and innovations on reaching consumers in vulnerable circumstances.	✓	✓	✓	✓
Explore opportunities for the water sector to collaborate with energy companies regarding safeguarding, priority services and other ways to assist consumers in vulnerable circumstances.	✓	✓	✓	✓
Encourage companies to raise awareness of assistance for consumers in vulnerable circumstances.	✓	✓	✓	✓
<b>Protecting consumers when things go wrong - how we can help household, business and other non-household consumers</b>				
Provide good quality advice and help to household, business and self serve water consumers, when they have an enquiry about their water service or a complaint against their company, be it wholesaler, retailer or third party intermediary.	✓	✓	✓	✓
Work with the Water Redress Scheme (WATRS) to ensure good outcomes for the few consumers where mediation has not given them the result they wanted.	✓	✓	✓	✓

## STRATEGIC PRIORITY 2

CHALLENGE COMPANIES TO PROVIDE THEIR SERVICE RIGHT FIRST TIME, PROTECT HOUSEHOLD AND BUSINESS CONSUMERS WHEN THINGS GO WRONG AND PROVIDE AN EASY-TO-ACCESS SERVICE FOR ALL (CONT'D)

The standards we deliver when handling consumers' complaints against their company.

In terms of our own complaint handling performance standards, we compare well to similar organisations. We are always aiming to improve further and maintain our good standards, regardless of the new and varied complaints we receive.

OUR PERFORMANCE STANDARDS	OUR CONSUMER SATISFACTION TARGETS
99.5% of complaints acknowledged within five working days.	75% of consumers satisfied with the quality of our complaint handling service.
80% of complaints resolved within 20 working days.	61% of consumers satisfied with their complaint outcome.
91% of complaints resolved within 40 working days.	80% of consumers satisfied with the speed of our service.

These performance standards and consumer satisfaction targets compare favourably to other comparator organisations<sup>1</sup>.



<sup>1</sup> These are our business plan figures for 2018-19 which are reviewed annually.

## STRATEGIC PRIORITY 3

### PRESS COMPANIES FOR SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT ALL CONSUMERS CAN TRUST NOW AND IN THE LONG TERM

***Deliverables:** Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 550 or below by March 2019. Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 99 by March 2019.*

#### Water resources

##### 2019 PRICE REVIEW - PRESSING FOR AFFORDABLE, SAFE, RESILIENT WATER SUPPLIES THAT DELIVER THE BEST VALUE FOR MONEY NOW AND IN THE LONG TERM

We will press for companies to plan and invest in water resources with a view to achieving the best value for money for current and future consumers, both directly and through our role on local/Wales water companies' Customer Challenge Groups. Where needed and where consumers support it, we will call for new investment in developing new water sources, and innovation in making better use of what we already have, and support Defra as it develops its National Policy Statement (NPS). We will ask companies to show long-term thinking in their Water Resource Management Plans to ensure consumers have affordable, safe, resilient water supplies they can trust and rely on in the face of immediate and longer term challenges from climate change, and population growth, achieving environmental protection and biodiversity objectives, and resilience to operational failure, physical or cyber attack.

#### INFLUENCING AND PROMOTING ACTIVITY TO HELP CONSUMERS USE WATER WISELY

We will help shape the water industry to the benefit of consumers in several ways, including by promoting ideas about using water wisely. Whether you are in the south-east of England where water resources are most stressed or in Wales and the West of England where water resources are more abundant by using water wisely we can all help to protect our environment and natural resources. The threat of drought in the south-east of England during 2018 due to a long period of below average rainfall and the strain this puts on water resources in the region, demonstrates the pressure some areas are already under in terms of balancing supply and demand. These pressures will only increase over time, due to climate change and population growth. In working with the industry and other stakeholders we will look to raise consumers' awareness on these issues and target water saving and efficiency messages appropriately to reflect the different audiences and local circumstances. For example in Wales the focus could be more on saved treatment costs than water shortage.



## STRATEGIC PRIORITY 3

### PRESS COMPANIES FOR SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT ALL CONSUMERS CAN TRUST NOW AND IN THE LONG TERM (CONT'D)



#### ENCOURAGING LEAKAGE CONTROL AND PRESSING COMPANIES WHEN PERFORMANCE IS POOR

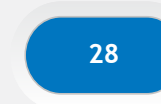
We will review companies that are not doing their bit to reduce the strain on water resources, and highlight those that have made significant improvements in their leakage management. We know that consumers think controlling leakage is important and are more likely to act to save water if they see water companies playing their part. We will encourage approaches that consider improving water efficiency, leakage control, water reuse, as well as other types of resource development. In Wales, as part of the Environment Act (Wales), there is a particular emphasis on the resilience of natural resources and enhancement of the natural environment and we will represent water consumers as policies are considered, developed and implemented.

#### Wastewater

#### 2019 PRICE REVIEW - PRESSING FOR INVESTMENT IN SEWERAGE SYSTEMS AND INNOVATIVE, FUTURE PLANS THAT DEMONSTRATE THE BEST VALUE FOR MONEY OVER THE LONG TERM

During the 2019 Price Review we will press for companies to plan and invest in their sewerage systems with a view to achieving the best value for money for current and

future consumers, both directly and through our role on local/Wales water companies' Customer Challenge Groups. Where needed and where consumers support it, we will call for new investment in the sewerage network and for innovative ways to keep surface water out of sewers. It is clear that short, sharp heavy rainfall events can and do inundate public sewers' capacity. When the safety mechanisms built into the public sewer system to carry dirty water away from homes and businesses can no longer cope, the contents of sewers spill over flooding our homes, gardens, businesses and communities. If the water industry does nothing we can expect an increase in these events in the future. We will be conscious of these pressures as we challenge companies to provide improvements for the long term, particularly in light of Defra's challenge to Ofwat in its Strategic Priorities and Objectives for Ofwat to get companies to look further ahead with their sewerage planning; and the Welsh Government's challenge to identify drainage solutions which help mitigate the increasing risk of flooding in Wales. As we consider these issues we will account for the impact of the Environment Act (Wales) and the Well-being of Future Generations Act in Wales, the Floods and Water Management Act and the review of the 2016 Housing and Planning Act in England, where it applies to surface water drainage.



# STRATEGIC PRIORITY 3

## PRESS COMPANIES FOR SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT ALL CONSUMERS CAN TRUST NOW AND IN THE LONG TERM (CONT'D)

### REVIEW COMPANY PERFORMANCE ON SEWER FLOODING SO WE CAN TARGET POOR PERFORMERS

We want fewer household or business consumers to experience sewer flooding. One way we will press sewerage companies to achieve this is by analysing companies' sewer flooding performance. We will use this analysis to push companies to reduce sewer flooding, and also target those companies whose comparative performance is poor. It can also be used to highlight areas of good performance. We will challenge companies at our quarterly meetings and exert pressure on them to be the best on performance.

### SUPPORTING PRAGMATIC, SOMETIMES INNOVATIVE SOLUTIONS TO WATER AND WASTEWATER PROBLEMS, SUCH AS CATCHMENT SCHEMES

The cost of tackling diffuse pollution can also add to the price consumers pay now and over the long term, so we will continue to support catchment management schemes where partnership working with farmers can reduce the amount of diffuse pollution that ends up in rivers, and indirectly impacts on the costs of water treatment. In some cases, the catchment work will benefit future generations. We will also consider, if needed, how Common Agricultural Policy (CAP) reform could affect water consumers.

### The local perspective

#### CHAMPIONING CONSUMER PARTICIPATION SO CONSUMERS' VIEWS ARE ACCOUNTED FOR

During the 2019 Price Review we will encourage local consumer participation in decisions around local water resources and wastewater solutions. We will challenge where the results of consumer research is not followed through into company business plans. In Wales we will also assist the Welsh Government where required in consumer engagement aligning the border between England and Wales with water company responsibility.



## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT CONSUMERS CAN TRUST NOW AND IN THE LONG TERM	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>2019 Price Review: securing long-term, resilient water and wastewater strategies</b>				
Ensure that each company has conducted appropriate consumer engagement on its Water Resource Management Plan (WRMP) & Drought Plans, so proposals are supported by consumers.	✓	✓	✓	✓
Challenge companies where their WRMP proposals are unclear, do not reflect evidence of customers' views or may not deliver a sustainable water service over the long term.	✓	✓		
As governments develop their long-term water resources planning and management policies CCWater will provide the consumer perspective using its consumer insight.	✓	✓	✓	✓
In Wales, as the environmental case is made to reduce phosphate dosing and increase lead pipe replacement, we will provide the consumer perspective on supply pipe replacement and deliver joint messages where they are in line with consumers' preferences.	✓	✓	✓	✓
<b>Using Water Wisely</b>				
Lead and encourage efforts to raise consumers' awareness of the challenges the sector faces, what is being done to address these challenges, and explain the reasons why it is important for everyone to use water wisely.	✓	✓	✓	✓
Work with the Welsh Government and others on their plans to develop consistent messages that are part of the 'bigger picture' (of why we need to use water responsibly) to encourage consumers to use water wisely now and in the future.	✓	✓	✓	✓
<b>Advising on compulsory water metering in England</b>				
Advise companies on the consumer-facing aspects of compulsory metering programmes in England to ensure consumers are given the information and support they need to make the transition to metered charging and to help secure affordable water and sewerage bills.	✓	✓	✓	✓
Review the different metering approaches being adopted, what the compulsory programmes have delivered, and what issues have emerged/lessons learned. And importantly, the impact they have had on consumers' attitudes and behaviours (and bills).			✓	

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

SAFE, RELIABLE WATER AND WASTEWATER SERVICES THAT CONSUMERS CAN TRUST NOW AND IN THE LONG TERM	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Water Quality and Managing Incidents</b>				
Monitor companies' consumer-facing activity and communications, where major supply, water quality or flooding incidents occur, providing support and feedback to the company as appropriate. We will also provide information and advice to affected consumers. We will use our knowledge of good practice in these areas to provide advice and encourage innovation.	✓	✓	✓	✓
Use our joint research (with Welsh Government and the water companies operating in Wales) to understand consumer responses to potential scenarios for transferring responsibility for customer owned water supply pipes to water companies. We will continue to engage with Welsh Government as it develops its policy in this area to understand the cost and benefits of transferring ownership.	✓	✓		
<b>Challenging Poor Performers</b>				
We will conduct an annual review of water company leakage and sewer flooding performance and use this to challenge comparative poor performance. We will press companies to meet and, where possible, exceed their consumers' expectations for reducing leakage levels - by setting themselves challenging targets/performance commitments.	✓	✓	✓	✓
<b>Wastewater - making sure the sewers work for consumers</b>				
Challenge companies to resolve sewer flooding problems for consumers by delivering against the outcomes they promised to deliver, and putting things right when they go wrong.	✓	✓	✓	✓
Encourage innovation with partnership working on drainage issues.	✓	✓	✓	✓
Work with the 21st Century Drainage Programme Board to deliver a resilient drainage system for the next 50 years and beyond.	✓	✓	✓	✓
Raise consumer awareness of the misuse of sewers, such as flushing wet wipes down the toilet, or putting oils and fats down the drain, and help them understand the impact of this behaviour.	✓	✓	✓	✓
In Wales, we will represent consumer interests in discussion on sewerage and drainage reform following the Welsh Government consultation on sustainable management of natural resources.	✓	✓	✓	✓

## STRATEGIC PRIORITY 4

SHAPE THE WATER SECTOR BY INFORMING AND ENGAGING ALL CONSUMERS SO THAT CONSUMERS' VOICES ARE ACTED UPON BY DECISION MAKERS AND THE INDUSTRY

***Deliverables:** Consumers are more informed about water issues, with 100m opportunities to see our messages in traditional media during 2018-19. We will also aim to increase our website and social media reach from 1.5m to 2m.*

### BEING AN ADVOCATE FOR WATER CONSUMERS TO GET THE CONSUMERS' VOICE HEARD

Our advocacy work is how we represent and get results for consumers. Our voice, backed by statute, helps ensure that the views of water consumers are heard in the places that matter - in Governments, within water companies, and by Ofwat and other regulators, such as the Environment Agency, the Drinking Water Inspectorate, Natural Resources Wales and Natural England.

### 2019 PRICE REVIEW - CHALLENGING COMPANIES AND OFWAT WITH INFORMATION ON CONSUMERS' EXPECTATIONS, SO THE RESULTS ARE ACCEPTABLE FOR CONSUMERS

Getting results for consumers is our key aim during our work on the 2019 Price Review. We will be making sure that consumers get a chance to participate in and influence the decisions water companies are making on their five-year and longer-term water and sewerage plans. We will also help Customer Challenge

Groups compare how each company is doing, so they can judge whether their company's plan is sufficiently ambitious to meet consumers' expectations. We will challenge companies where they do not appear to have listened to their consumers' priorities on spending. We will challenge the regulator Ofwat if its regulatory proposals would not be welcomed by consumers, so that consumers end up with a water and sewerage service that is acceptable to them now and into the future. Near the end of the 2019 Price Review we will consider what the future of consumer engagement should look like after considering the effectiveness of Customer Challenge Groups in the process.

### HELPING MAKE THE NON-HOUSEHOLD RETAIL MARKET IN ENGLAND WORK BY HIGHLIGHTING WHERE THE MARKET IS SUCCEEDING AND FAILING BUSINESS CUSTOMERS

We will do our bit to help create the conditions for a successful retail market for business and other non-household customers which lives up to their expectations. We will act and get Ofwat or MOSL to



## STRATEGIC PRIORITY 4

### SHAPE THE WATER SECTOR BY INFORMING AND ENGAGING ALL CONSUMERS SO THAT CONSUMERS' VOICES ARE ACTED UPON BY DECISION MAKERS AND THE INDUSTRY (CONT'D)

respond if we find any systemic problems through our complaint and enquiry work with business customers. We will tell business customers<sup>1</sup> which retailer is getting the most or least complaints (both complaints to us and directly to them), highlight the pros and cons of switching or re-negotiating, track consumer awareness, and protect customers who have been let down by a service failure, such as the misuse of data or if their retailer closes.

#### HELPING MICRO, SMALL AND MEDIUM-SIZED BUSINESSES ACCESS THE RETAIL MARKET

We will continue to pay special attention to the issues that may affect micro, small and medium-sized businesses as they engage in the market, so we can press for changes to be made to ensure those businesses are able to fully participate. We will find evidence of their experiences by engaging with their representative bodies directly and by doing research direct with business customers.

#### SUPPORTING BUSINESS CUSTOMERS IN WALES BENEFIT FROM EXCELLENT SERVICES

If potential boundary changes progresses between England and Wales for the purposes of water legislation, we will help Welsh Government inform affected customers of their rights around competition. And if business customers in Wales are not being heard we will also be their voice. In Wales we will focus on water company service standards, so business customers in Wales benefit from excellent customer services. We will share good practice to and from Wales.

#### The local perspective

##### INCREASING THE MEDIA PRESSURE LOCALLY

We will work locally with the media to help inform consumers about water and sewerage issues. This could be by raising the profile of using water wisely to create societal benefits or putting reputational pressure on poor performing water companies to improve their service to consumers.



<sup>1</sup> Where we write 'business customers' we mean non-household customers, such as business customers, charities and public sector organisations.

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

INFLUENCING THE WATER CONSUMERS' AGENDA BY INFORMING AND SPEAKING UP FOR CONSUMERS	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Influence decision makers - leading the consumer agenda – advocating from the consumer perspective</b>				
Influence decision makers in Governments, regulators and the water industry to ensure that consumers' and developers' views are considered in the development of policy, proposals or initiatives that will affect them.	✓	✓	✓	✓
Challenge companies on their plans to communicate with consumers in the digital age. How should they communicate bill and other information in the future?		✓		
When a Tailored Review of CCWater is announced, we will demonstrate how we are effective at speaking up for water consumers and how we advocate on their behalf.	✓	✓		
<b>2019 Price Review – water company business plans reflect what consumers want now and in the long term</b>				
Influence 2020-25 business plans so commitments are based on evidence of the needs and expectations of different consumer groups and secure longer-term resilience for consumers and the environment the sector depends and impacts upon.	✓	✓		
Ensure proposals consider future consumers and are acceptable to the majority of consumers.	✓	✓		
<b>Challenging on behalf of water consumers – championing fairness</b>				
Challenge water companies to share outperformance or windfalls (eg. From higher inflation) to ensure a fair balance between shareholders and customers.	✓			
Monitor and challenge Outcome Delivery Incentive (ODI) performance during 2020-25, particularly where outperformance leads to financial rewards paid for by consumers.				✓
In Dŵr Cymru Welsh Water, where rewards are retained by the company, encourage the involvement of consumers in considering how financial rewards should be used for the benefit of Dŵr Cymru Welsh Water consumers. Also encourage consumer participation in decisions on how any penalties should be paid for.	✓	✓	✓	✓
In Wales, ensure that the acquisition of Dee Valley by Severn Trent Water and future company licence changes do not adversely affect <u>any</u> customers (i.e. charge increases), that consumers' interests are protected and their views are taken account of as the Severn Trent take-over of Dee Valley Water is embedded and changes to licences are proposed.	✓	✓	✓	✓

## Timing of delivery

Key ✓ = main period of activity    ✓ = indicates ongoing activity

INFLUENCING THE WATER CONSUMERS' AGENDA BY INFORMING AND SPEAKING UP FOR CONSUMERS	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Being the Business Customers' Champion – making sure the market works</b>				
Help to raise customer awareness of the water and sewerage retail market in England and what it offers, by working with business representative groups, particularly those linked to micro businesses and Small and Medium Enterprises (SMEs), and those in border areas.	✓	✓	✓	✓
Provide an impartial source of advice for micro, SMEs and other business customers and non-household customers across England and Wales, and handle complaints where companies and retailers have not got their service right first time.	✓	✓	✓	✓
Understand how the market in England is working for participants, including micro businesses and SMEs; sort problems out as they arise, and raise systemic problems with decision makers, and build on our strong relationships with trade organisations.	✓	✓	✓	✓
Protect customers by working on code amendments and consultations as necessary.	✓	✓	✓	✓
Ensure service standards for business customers in Wales are excellent and do not deteriorate.	✓	✓	✓	✓
In Wales, we will focus on ensuring business customers get excellent customer service, and advise the Welsh Government of emerging issues, especially on the border, and in relation to Severn Trent's change to its licence area in England and Wales.	✓	✓	✓	✓
In Wales, we will work with Welsh Government on issues around messaging for Dŵr Cymru Welsh Water business customers who are based in England.	✓	✓	✓	
Monitor the advantages and disadvantages of market reform in England to inform future policy in Wales.	✓	✓	✓	✓
Help micro, small and medium-sized businesses think about water efficiency through our partnership links.			✓	✓

INFLUENCING THE WATER CONSUMERS' AGENDA BY INFORMING AND SPEAKING UP FOR CONSUMERS	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Household Competition in England – helping the decisions reflect consumer expectations</b>				
Subject to household competition going ahead - ensure further development of household retail competition meets consumers' expectations of such a market in order for it to be a success.	✓	✓	✓	✓
If household competition goes ahead, work with the sector to develop consumer protection policies.	✓	✓	✓	✓
<b>Informing Consumers – giving consumers the information they need to judge value for money</b>				
Publish information on company performance in areas that matter most to consumers. (For example, resilience, complaints and affordability) in order to raise the overall performance of the sector.	✓	✓	✓	✓
Publish our supplementary insight reports gained from our understanding of research and company performance to further challenge the industry. Publish and share with Ofwat and MOSL data on non-household customers' complaints against retailers and share our comparative information with Discover Water.	✓	✓	✓	✓
<b>Raise consumer issues through media and social media</b>				
Proactively seek opportunities to raise consumer issues in broadcast, print and online media, nationally and locally, and in the water sector media. Engage consumers and stakeholders on key issues through existing and new social media channels.	✓	✓	✓	✓
Assist Welsh Government on messaging around moving the responsibility for water to the Wales/England border, rather than on company boundaries.	✓	✓		
<b>Easy access to our services</b>				
To ensure everyone can access our services, we have access to language translation services and regularly translate information into Welsh in line with our commitments under our Welsh Language Obligations.	✓	✓	✓	✓
We accept complaints by telephone, email, social media or letter to ensure all consumers have a chance to get help and advice from us. We also hold meetings in public across the English regions and in Wales which allow consumers opportunities to talk to us face-to-face.	✓	✓	✓	✓

# OUR PLANS TO DELIVER CONSUMER INSIGHT THROUGH RESEARCH

Our research tells us what is important to consumers. We gather information each year so 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 consumer engagement, while recognising that our independent voice is also valued by the industry.

OUR PLANS ARE BELOW BUT ARE SUBJECT TO CHANGE:

RESEARCH THAT SUPPORTS OUR DELIVERY:	2018-19	2019-20	2020-21	2021 AND BEYOND
<b>Tracking research</b>				
<b>Water Matters</b> - our extensive yearly household consumer research, which provides a comprehensive view of consumers' position on water and sewerage issues, including on value for money and satisfaction with service.	✓	✓	✓	✓
<b>Testing the Waters</b> - our large scale survey of business customers to measure how they feel about water and sewerage issues that affect them, including value for money; and gauge their perceptions of the water industry.		✓		✓
<b>Competition research</b>				
<b>Business customer awareness</b> of the retail market - an online survey to measure micro and SME business customers' awareness of the retail water market.	✓	✓	✓	
Business customer experiences of the market - follow up to 2017-18 work.	✓			
Gather evidence to help develop future policy in relation to household competition.			✓	
<b>Price Review research</b>				
PR19 research - research to assist in the delivery of the 2019 Price Review.	✓	✓		
PR24 research - research in preparation for the next price-setting process.			✓	✓
<b>Stakeholder research</b>				
Stakeholder relationships with CCWater - to understand stakeholders' views on the priorities for CCWater and where we could further improve working relationships.	✓		✓	

# OUR LINKS WITH THE DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS AND THE WELSH GOVERNMENT

CCWater's activities align with the strategies set out by both Defra and the Welsh Government. The priorities and activities outlined under each of the four key themes in this Forward Work Programme accord with these governmental objectives.

## OUR WORK WITH THE DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS

We work with the UK Government to ensure we play our part in helping it deliver its objectives, and in particular on its two over-arching priorities of protecting consumers and securing long-term resilience. Defra's goals for water are primarily outlined in their [Strategic Priorities and Objectives for Ofwat](#), which are:

### SECURING LONG-TERM

**RESILIENCE** - the water sector should plan, invest and operate to meet the needs of current and future customers, in a way which offers best value for money over the long term

**WATER SUPPLY** - The sector should further a reduction in the long-term risk to water supply resilience from drought and other factors, including through new supply solutions, demand management and increased water trading

**WASTEWATER** - water companies should improve planning and investment to meet the wastewater needs of current and future customers

**RESILIENCE** - water companies should make sure that they assess the resilience of their system and infrastructure against the full range of potential hazards and threats and take proportionate steps to improve resilience where required

**RESILIENCE** - companies should further the resilience of ecosystems that underpin water and wastewater systems, by encouraging the sustainable use of natural capital and by having appropriate regard to the wider costs and benefits to the economy, society and the environment

**PROTECTING CUSTOMERS** - the water sector to go further to identify and meet the needs of customers who are struggling to afford their charges

**ASSISTANCE** - companies to improve the availability, quality, promotion and uptake of support to low income and other vulnerable household customers

**SMALL BUSINESS** - water companies should have an enhanced focus on the needs of small business customers that may struggle to access the best deals

**MAKING MARKETS WORK** - the sector should drive innovation and achieve efficiencies in a way that takes account of the need to further: (i) the long-term resilience of water and wastewater systems/ services; and / or (ii) the protection of vulnerable customers

# OUR LINKS WITH THE DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS AND THE WELSH GOVERNMENT (CONT'D)

## OUR WORK WITH THE WELSH GOVERNMENT

In Wales we work with the Welsh Government to ensure we play our part in helping it deliver the Well-being of Future Generations Act, the Environment (Wales) Act, and its accompanying policies. Additionally, the Water Strategy for Wales outlines an action plan for water resources and water and sewerage services in Wales. It provides the context for our work in Wales and presents specific actions that name CCWater in their delivery. Welsh Government has also outlined its priorities for Ofwat in its [Strategic Priorities and Objectives statement](#).

Leading on advice on affordable water bills and debt management.

Working with Welsh Government and others on its plan to develop consistent messages on:

- » Water debt management.
- » Water efficiency.
- » How consumers can engage with their water company.

Ensuring good quality information is available to business customers about who is eligible to participate in the retail market, particularly for those customers in cross-border areas.

Working closely with Welsh Government and others to help:

- » Monitor the effectiveness of social tariffs.
- » Monitor the costs and benefits of market reform to inform future policy.
- » Understand the cost and benefits of transferring ownership of privately owned water supply pipes to water companies.

Working with other stakeholders to help deliver the aims and actions of the Water Strategy.



## WATER SECTOR RELATED DIFFERENCES BETWEEN ENGLAND AND WALES

We keep a close watch on the development of policies and legislation to ensure we understand how emerging policy differences between Wales and England are likely to affect water consumers either side of the border. The most notable differences are:

ENGLAND	ISSUES	WALES
Open for all non-household water and sewerage customers	Retail market for business customers	Open only to non-household water customers who use more than 50ML
Being progressed	Upstream competition where retailers are able to choose their wholesale water providers (a bilateral market)	Not applicable
Voluntary scheme	Landlord registration of occupiers	Compulsory registration
Being implemented through secondary legislation	Abstraction reform	Await results of Sustainable Management of Natural Resources consultation
Not applicable	Have regard to Well-being of Future Generations Act & Well Being plans by Public Service Boards	Have regard and facilitate enactment of the WFG Act. Support synergies between plans
On hold	New build sewer standards And Sustainable Drainage Standards	The introduction of recommended standards from May 2018
On hold	Sewerage and drainage reform	Await results of Sustainable Management of Natural Resources consultation
Guidance suggests cross-subsidy up to 1.5% yearly	Social tariffs	Guidance suggests cross-subsidy up to 2.5% yearly
Legislation complete	Digital Economy Act	Legislation complete during 2018
SIM for business customers not applicable since 2015	Quantitative Service Incentive Mechanism (SIM) score monitoring for business customers	Applicable based on business customer written complaint information
Likely implications on some cross-border consumer segments and companies	The enactment of some of Wales Act provisions over time. Re-arrangement of water industry regulatory boundaries.	Likely implications on some cross-border consumer segments and companies
Not applicable	Environment (Wales) Act	Applicable
<b>Potential legislative and policy developments that we will build into our programme, as and when they are confirmed:</b>		
May be explored by government (Defra) in due course	Household competition	Not being explored by Welsh Government
Not applicable	Transferring ownership of customer owned water supply pipes to companies	Costs and benefits being investigated. Follow up on outcomes post consultation
Not applicable	Compulsory Fire Sprinkler installation on all new properties in Wales	Monitor implications on segments of consumers, their charges and services

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**THE CONSUMER COUNCIL FOR WATER**  
THE INDEPENDENT VOICE OF WATER CONSUMERS IN ENGLAND AND WALES

