

CONSUMER COUNCIL FOR

CYNGOR DEFNYDDWYR



Annual Review

2017/18 for England and Wales

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

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Reflections from the Chair

Over the past year we've championed the interests of consumers against the backdrop of some of the most intense public and political scrutiny of the water industry we've witnessed since privatisation. A debate has raged over the legitimacy of water companies and whether the interests of consumers would be better served by an alternative model of ownership. At the heart of the discussion have been concerns that we've raised repeatedly for many years. Concerns over value for money of services, bill spikes and regulatory settlements that have been too generous to water companies have all damaged the legitimacy of the industry in customers' eyes. More recently, high profile service failures by some water companies have only served to fuel the discussion and put at risk public trust and confidence in the wider industry.

We have helped to inform and shape the wider conversation, motivated by our aim to secure the best outcomes for all water consumers, present and future – regardless of the ownership model. We've also supported thousands of customers when companies have let them down. There was no better example of this than in March 2018 when we fought to protect the interests of more than 200,000 customers across parts of England and Wales who were left without water. The widespread disruption was sparked by a sudden thaw after the Beast from the East had sent temperatures plummeting. As well as supporting customers with their complaints, we successfully led calls for water companies to pay fairer levels of compensation that reflected the huge inconvenience and upset caused. As a result many customers received up to £150, significantly more than the amount guaranteed by

statutory industry guidelines. You can read more about our wider efforts to support customers with their complaints in the Right First Time section.

It has also been a very significant year for business water customers in England which have been able to benefit from the opening of the non-household retail water market. Some organisations were quick to seize the opportunity to shop around for a better water deal. Our objectives have been to promote awareness of the market and ensure competition works for everyone who is eligible, delivering higher levels of service and value for money. The early signs were positive but by the autumn we had seen a sharp rise in complaints to us from customers about a small number of retailers. We wasted little time turning up the pressure on these poor performers and by the end of the year there were encouraging signs of improvement. That must continue in the coming months if we want confidence and engagement in the market to grow. For the market to realise its full potential, retailers and brokers also need to do more to engage the majority of small and medium-sized businesses who are unaware they have the right to switch.

Looking ahead to 2018/19, the interests of future – and not just present – consumers will dominate our agenda as we enter some of the most important stages of the 2019 Price Review.¹ This process will define what we all pay for our water and sewerage services up to 2025. We also need to ensure that water companies are investing enough to develop and maintain a water and sewerage network that can meet the demands of

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Reflections from the Chair - Continued

a growing population and our changing climate. In the past year we've helped to lay strong foundations to ensure this price-setting process confronts some of the most pressing challenges of our time. We played a key role in convincing Ofwat to set its lowest-ever cost of capital after repeatedly calling on the regulator to get tougher on water companies' financing costs.² The decision means each customer can expect their bill to be between £15 and £25 lower each year between 2020 and 2025, than would have otherwise been the case. You can read more about how we've influenced the early stages of the price review in [Speaking up for Consumers](#).

Consumers can also expect us to continue to lead the way in making sure water companies do more to help the three million households who tell us they struggle to afford their water bills.³ In our Value for Money section you can read about how we've helped water companies increase take-up of social tariffs by more than 50 per cent in 2017/18 – meaning almost 400,000 low-income households are now receiving lower bills. And how our [Benefits Calculator](#) helped households identify more than £9.3 million in potential annual welfare payments that they were missing out on. We're proud that these and other achievements are changing consumers' lives for the better but we cannot afford to be complacent. The amount of assistance available from companies remains a drop in the ocean compared to the number of households who need financial help. We believe it's high time companies dipped deeper into their own pockets to support more customers in financial hardship.

I'd like to end by recognising our incredible staff and the support of our key partners for helping us to achieve so much for consumers in the past year. I remain convinced that together we can successfully challenge water companies to rebuild trust and confidence in the industry.

—
*Alan Lovell - Chair
Consumer Council for Water*



1. The Price Review is the regulatory process which determines the 5-year price limits for each water company in England and Wales, and the service and investment commitments.
2. The cost of capital is the assumption the regulator Ofwat makes on the cost water companies will incur in raising capital to fund investment in their assets, like pipelines.
3. Figures based on our annual [Water Matters](#) survey of household customers' views on their water and sewerage services.

Your Water Watchdog – What we do for you

Securing the best outcomes for all water consumers, present and future.

We are the independent, statutory body that represents all water and sewerage consumers across England and Wales. Our work includes providing advice and information on water matters and investigating complaints if water customers have been unable to resolve issues with their monopoly water companies or retailers.

Since we were established in 2005 we've worked hard to improve the service of water companies, pressing them to deliver the best possible service to customers. If a customer does encounter a problem and is unable to resolve it with their water company, they can turn to us for free support. Over the past

13 years we've helped consumers with more than 380,000 complaints and enquiries and returned more than £27 million in financial redress to aggrieved household and business customers.

Our influence stretches far beyond just resolving complaints. No other organisation is better placed to understand the views and priorities of consumers on water and sewerage services. Our extensive research and the thousands of complaints and enquiries we handle every year give us an unrivalled insight into consumers' attitudes and views on issues including their satisfaction with services and value for money, saving water, levels of trust in the industry and their

appetite for competition. We use all of this information and intelligence to make sure the views and concerns of consumers are absorbed and understood by UK and Welsh Governments, regulators and the wider industry.

Our expertise and influence is also instrumental in ensuring consumers' views and priorities are put at the very heart of the industry's five-year price-setting process by the regulator Ofwat and water companies. Through scrutinising water companies' business plans and Ofwat's approach to each review, we do all we can to secure the best outcomes for all water consumers – present and future.

Consumers Setting the Agenda

Our work can only satisfy the expectations and needs of consumers if we are focused on tackling their most pressing priorities, which we identify from our

research. That's why we review our agenda every year to make sure it continues to reflect what consumers want from us. These consumer priorities provide the

framework of our [Forward Work Programme](#) which sets out in detail how we will pursue the interests of consumers over the next three years.

In 2017 / 18 our five key strategic priorities were:

- *- Speaking up for and informing household and business consumers by providing a trustworthy, independent voice that informs consumers about key water issues and ensures governments, the water industry and other stakeholders understand water consumers' views*
- *- Pressing for fair, value for money charges that are affordable in the long term*
- *- Water companies provide services that are easy to access, right first time and sort out problems and complaints quickly and without hassle*
- *- A resilient, sustainable, good quality water supply for now and in the future that consumers value and use wisely*
- *- A sustainable, resilient sewerage service that works now and in the future and is used responsibly by consumers*

Our Year at a Glance

It cost each water bill payer just 21p to fund the wide range of services and unrivalled advice and support that we were able to offer consumers last year. In return for this fee we were able to deliver a wide range of benefits for consumers, including:



NEARLY £1.4 MILLION IN FINANCIAL REDRESS

we secured for consumers that sought our help resolving a complaint. Since 2005 we've returned over £27 million to aggrieved consumers.



AROUND £14.5 MILLION IN POTENTIAL SAVINGS

for the households that used our [water meter calculator](#) to see if they might be better off switching to a water meter. The calculator attracted 250,000 users during the year.



ALMOST 19,000 COMPLAINTS AND ENQUIRIES

about water companies and retailers that we helped consumers to resolve. 80 per cent of the complaints we received were closed within 20 working days.



AUDIENCE OF 218 MILLION

people that potentially saw or heard our consumer advice and insight through another unprecedented year of media coverage.



SUCCESSFULLY PRESSED

the poorest performing water companies and retailers for customer complaints to markedly improve their performance.



MORE THAN £9.3 MILLION IN POTENTIAL WELFARE BENEFITS

identified by 3,400 consumers through using our [Benefits Calculator](#).



UP TO £150 PER CUSTOMER IN COMPENSATION

we helped to secure for customers affected by the 'Beast from the East' cold weather disruption to water supplies.



ALMOST 400,000 LOW-INCOME HOUSEHOLDS RECEIVING LOWER BILLS

after we worked with water companies to boost take-up of social tariffs by more than 50 per cent.



7 RESEARCH REPORTS

we commissioned to develop our understanding of consumers' views and influence the water industry, regulators and governments to develop services and policies that reflect the needs and expectations of consumers.

Speaking up for & Informing Consumers

CONSUMER PRIORITY 1:

SPEAKING UP FOR AND INFORMING HOUSEHOLD AND BUSINESS CONSUMERS

by providing a trustworthy, independent voice that informs consumers about key water issues and ensures Governments, the water industry and other stakeholders understand water consumers' views.



OUR TOP 3 WINS FOR CONSUMERS:

- Used our research and complaints reports to champion the interests of small and medium-sized businesses affected by the retail water market, successfully pressing poor performing retailers to improve.*
- We were the 'go-to' commentator on water consumer issues for national media outlets including BBC TV and radio, ITV and the Financial Times, with our messages appearing before a potential audience of 218 million people.*
- Influenced changes to the 2019 Price Review so that it now includes new incentives for water companies to improve their service levels.*

SUMMARY - WHAT WE ACHIEVED:

- Used our research to push the water industry to do more to raise awareness of the non-household water market among small and medium-sized businesses.*
- Influenced the early stages of the price-setting process to ensure greater demands are placed on water companies to improve their customer service.*
- Made sure other consumer bodies, regulators and politicians in England and Wales are better informed on the views of consumers and what matters most to them.*
- Spoke up for the interests of consumers during discussions with water companies and other stakeholders at meetings of the Welsh Government's Wales Water Forum and PR19 Forum.*
- Challenged water companies to improve their service and kept consumers informed of their rights through unprecedented levels of media coverage.*
- Attracted more than 346,000 visitors to our new-look website with advice and support on their bills and services.*

Speaking up for & Informing Consumers - Continued

What we did in Detail: Shaping a new water market that works for everyone

The launch of the non-household retail water market in England on 1 April was at the forefront of our minds as we began 2017/18. For the first time all non-household customers in England were given the freedom to switch the provider of their retail water services, including billing, meter reading and account management.

After months of preparation involving wholesalers, retailers and bodies including market operator MOSL (Market Operator Service Limited) it was all systems go as the largest retail water market in the world launched smoothly and on time.

Choice offers the prospect of lower bills and better service and we were determined to ensure the market worked for everyone, from the largest supermarket chain to the smallest florist.

During the year we tracked awareness of the market among small and medium-sized businesses to ensure they were not being left behind and we shared our findings with retailers and the wider industry. At the beginning of 2018, our research suggested awareness had barely shifted since the market opened with only two out of five SMEs aware they could switch retailer.⁴ Once customers were aware the vast majority were keen to make their choice count. Almost half (47%) had looked for more information, with a third (31%) having negotiated a better deal with their current provider and just a quarter (24%) having

switched supplier.

We used our awareness findings to challenge market participants to make smaller business customers aware of the market and help them understand that it has something to offer them. Retailers were encouraged to share case studies to highlight the experiences of SMEs that had dipped into the market. We also pushed retailers to improve the visibility of their price and service offerings, to make it easier for SMEs to make an informed choice. CCWater also played its part by working closely with representative bodies, including the British Chambers of Commerce and National Farmers' Union, to spread the word among their members. However there remains a huge amount more work to do be done in the coming year to ensure the market works for everyone, not just the largest customers. We will continue to track awareness levels and use our research and insight to encourage the whole sector to increase customer engagement.

During the year we also led workshops for retailers, providing them with guidance on how to report information to us about customer complaints. This should bring greater consistency and comparability in how retailers report complaints, enabling us to more effectively monitor how well the market is serving customers. We also hosted retailer workshop groups to look at issues that had led to poor customer service, as well as how to improve working relationships with wholesalers.

IN WALES: Choice for non-household customers served by a water company based wholly or mainly in Wales remains restricted to those that use more than 50 megalitres of water a year. However, we pressed both water companies in Wales to demonstrate that they are providing the highest levels of service possible to all of their non-household customers. We also influenced Welsh Government and Ofwat to make clear that the companies in Wales must be committed to achieving high levels of satisfaction among non-household customers as part of their business plans for the 2019 Price Review.

"Thank you so much for all your help - this issue was ongoing for a number of months but once you were involved it was resolved very quickly. Thank you so much to the team for your efforts."

- Mr Wilkins

4. [Small and medium-sized businesses' awareness of the retail water market report](#) – January 2018

Speaking up for & Informing Consumers - Continued

Increasing our engagement with key decision-makers

The impact of our work is dependent to some extent on the strength of our relationships with key stakeholders and decision-makers that can influence the water consumer agenda. During the year we undertook a series of meetings with key stakeholders, including Age UK, Citizens Advice, the Local Government Association and Which?

In September we were joined by a wide range of stakeholders from the water sector, Government, regulators and environmental and consumer bodies, at two consumer issues workshops held in England and Wales. Our event in London gave stakeholders the opportunity to share their views on the big issues and challenges facing the water industry, including the 2019 Price Review and whether companies were using sufficient customer evidence to build their business plans. Other hot topics of discussion included support for vulnerable customers and the performance of the retail water market six months after its launch in England.

The stakeholder workshops gave CCWater and others attending insight into the perspectives of other stakeholders. This included those who work in the voluntary sector, and help some of the most vulnerable in society. This helps how we and others frame our policies and practices in the future to account for all members of society.

In the wake of the General Election in June 2017, our

Wales Chair and Regional Chairs in England reached out to all newly-elected MPs in the area to introduce themselves, explain the work of CCWater and offer them our support in their work with constituents. The Chairs also wrote to re-elected MPs to remind them that CCWater is here to provide help, advice and briefings on water consumer issues. We followed this up with a series of three drop-in sessions for MPs at Westminster and a session in Cardiff that was attended by a third of Welsh Assembly members. These events gave MPs and AMs the opportunity to find out more about our work and how we can help them and their constituents, as well as discussing a wide range of issues including water efficiency, support for customers living in vulnerable circumstances and flood insurance. Many politicians that were unable to attend our drop-ins got in touch to request briefings on the performance of water companies across their constituencies.

IN WALES: Cardiff was the location for our consumer issues workshop in Wales where we were joined by a wide range of stakeholders. The discussion focused on issues including sustainable drainage, supporting customers in financial hardship and consumers' views on the adoption of private supply pipes by water companies. Stakeholders' views helped to shape our [Forward Work Programme for 2018-21](#), which we published in March 2018.

A third of Welsh Assembly Members also made a pledge

to save water as they joined us for a drop-in session held in Cardiff to coincide with Water Saving Week.⁵ Three ministers – including the Minister for the Environment – were among the 20 AMs that signed up to one of six different pledges to use water wisely. Members also seized the opportunity to learn more about how we have helped thousands of consumers in Wales resolve complaints against their water company.

5. Water Saving Week is an annual campaign organised by not-for-profit organisation, Waterwise, to encourage everyone to value water and use it wisely.

Speaking up for & Informing Consumers - Continued

Influencing the early stages of the 2019 Price Review

Our work on the 2019 Price Review – which will set price limits for customers between 2020 and 2025 – gathered pace during 2017/18 as we looked to secure the best possible deal for customers on price and service heading into the next decade. One of the early landmarks on the price-setting journey is [Ofwat's methodology](#) and we were pleased to see that the regulator had taken on board many of our suggestions when it published its final version in December 2017.

For many years we had pressed Ofwat to review rewards and penalties for water companies to include a new measure based on customers' experiences. We felt that putting a greater emphasis on the wider experiences of customers would give water companies more motivation to focus on, and innovate for, their customers all the time – not just during the price review. Our campaigning on this issue was finally rewarded when Ofwat included a new incentive measure in its PR19 methodology called 'Customer measure of experience' – or C-Mex for short. Crucially, the measure will gauge the satisfaction with service across each company's customer base, as well as assessing companies' handling of contact from customers.

We would have liked the proposals to have gone further by including a separate measure based on customers' satisfaction with value for money, as well as increasing the financial penalties for poor performance. However, C-Mex still marks a major

step forward on the path to ensuring that water companies have a greater incentive to put customers first and deliver a high level of service that meets their expectations.

There was also a significant breakthrough in our efforts to ensure that water companies show more ambition in supporting customers struggling to afford their bills and in other vulnerable circumstances. For the first time, all water company business plans will be assessed during the price review for how well they meet these challenges. However, Ofwat stopped short of including our suggestion to set common performance commitments for all water companies, which we feel would have strengthened the challenge to the industry to address affordability and vulnerability.

IN WALES: We remained an important contributor to the Wales Water Forum, representing both household and non-household customers in discussions ranging from the possible transfer of supply pipes to water company ownership, reducing lead in the water supply and improving water efficiency to Sustainable Drainage Schemes (SuDS), sewer blockages the work of the 21st Century Drainage programme.

We also contributed to the Welsh Government's PR19 Forum, which took place on five occasions during the year. In July we led a discussion on customer priorities and engagement in the context of Ofwat's draft PR19

Methodology and one of its key themes – Great Customer Service. The discussion centred on independent research we commissioned, which looked at improving the use of willingness to pay research during the price-setting process. It also looked at how companies can make better use of a wider range of customer evidence when making planning decisions.⁶

"It really should never have had to come to this but we are so glad that we had CCWater to fight our corner. Thank you for all your help and support in resolving this matter - it is such a relief to have it resolved!"

- Mr Jenkins

6. [Defining triangulation and willingness to pay in the water sector](#) – research published July 2017

Speaking up for & Informing Consumers - Continued

Keeping consumers informed through the media

Even in the rapidly evolving world of communications, traditional forms of media remain a vital part of our armoury in informing consumers of their rights and holding the water industry to account by shining a light on poor performers. Our research, insight and vast experience advocating for water consumers mean we remain the go-to organisation for journalists seeking a well-informed and independent opinion.

Increased public and political scrutiny of the water industry during 2017/18 gave us an even stronger platform to speak up for consumers in the press. Our strong links with national and regional media enabled us to provide proactive opinions on a range of industry issues including metering, saving water and money, leakage, pollution, customer complaints, sewer blockages and disruption to water supplies. By the end of the year, our messages had reached a potential audience of 218 million people spread across more than 1,750 pieces of coverage online, in print and broadcast – surpassing all our previous records.

Strong media interest in the publication of our [Annual Customer Complaints Report](#) in September gave us a public platform to put pressure on the industry's poorest performers, including Southern Water and Cambridge Water. Our Chief Executive discussed the report's findings across the BBC, while our regional chairs took part in a series of interviews with local radio stations and newspapers. In total, the report

was mentioned in more than 350 individual pieces of media coverage, and both Southern Water and Cambridge Water reduced the number of written complaints they received in the year.

We were also quick to speak out when failures by water companies caused disruption, inconvenience or distress to consumers. This included challenging companies over their response to the disruption caused to water supplies by the thaw after the 'Beast from the East' sent temperatures plummeting across England and Wales. More than 200,000 customers, spread mainly across the south east and southern England, the Midlands and Wales, experienced a loss of water supply as private and water company pipework struggled to cope with the sudden change in temperature.

We harnessed the surge in media interest to press companies to improve their planning and communication with customers, which had been found wanting in many cases. Through a series of national and regional media interviews and articles we also led calls for companies to go above and beyond standard compensation levels to reflect the inconvenience and distress caused to many customers. Most water companies responded positively to our challenge and we commissioned research of affected customers which showed the vast majority of households were satisfied with the compensation they received. However, far fewer businesses felt the

payments they received reflected the losses they had suffered.⁷

Longer term we hope Ofwat's support of our calls to review the [Guaranteed Standards Scheme \(GSS\)](#) will result in fairer and more consistent levels of compensation for all customers affected by disruption to their services.

IN WALES: The media in Wales gave us an important platform to speak up for consumers and provide advice on a wide range of issues, as well challenging water companies' performance. We carried out interviews with broadcasters on subjects including the impact of sewer blockages and flooding, support for customers struggling to pay bills and disruption caused to water supplies during freezing weather. We also collaborated with water companies in Wales to raise awareness of important issues, including educating consumers on how to safely dispose of items that can block drains and sewers.

Our research and frequent press releases supported our wider efforts to push water companies to deliver a better service and reduce complaints, as well as provide advice to consumers on financial assistance, how to save money on bills and trialling a water meter.

CCWater takes very seriously its commitment to the Welsh Language Scheme and we made sure all of our press releases affecting consumers in Wales were translated into Welsh and published on our website.

7. [Customers' experiences of water supply interruptions following the freeze-thaw events of March 2018](#) – research published June 2018

Speaking up for & Informing Consumers - Continued

A trusted and popular source of online support

Consumers can access a wealth of support and advice at any time of the day through [our website](#) and social media channels. Our website is often the first port of call for consumers looking for advice on everything from resolving a complaint to finding advice on how to cut their bills or save water.

We began the year by relaunching the site with a fresh look and improved navigation for consumers – changes that were inspired by research we carried out with consumers. As well as simpler navigation, we improved the look of our home page, business customer section, added a site map and refined the content of the website so it is more engaging for consumers.

More than 346,000 people visited our website in 2017/18 and once again our [water meter calculator](#) proved to be the star attraction. The tool enables households to quickly identify whether they might save money by switching to metered charges, rather than an unmeasured bill. Our extensive media exposure and campaigning to help consumers save money drove 250,000 visits to the calculator, helping households identify potential savings of £14.5 million. Over 40,000 of these visits came via Money Saving Expert which remained the leading source of referrals to our website.

Other popular sections included our advice for helping customers reduce their bills or find financial

support; guidance on how to make a complaint and our [Benefits Calculator](#). During the year the calculator helped more than 3,400 low-income customers identify over £9.3 million in potential annual welfare entitlements.

In the coming year we hope to strengthen the links between our website and growing social media presence, making it even easier for consumers to access the support and advice they need. We made good progress in this area during 2017/18 as we continued to increase our activity and engagement across social media. Our following on Twitter grew by more than 1,250 to 6,246 and we had almost 60,000 visits to our profile. We were mentioned in 1,918 tweets and our own posts reached a potential audience of almost 1.9 million users. As well as increasing our activity and following on Facebook and LinkedIn, we also launched an Instagram account at the start of 2018/19.

"CCWater really helped fight my corner and stopped me from being bullied. Once you were involved my water company's attitude changed dramatically."

- Mr Basra



Value for Money

CONSUMER PRIORITY 2:

VALUE FOR MONEY

Pressing for fair, value for money charges that are affordable in the long term.



OUR TOP 3 WINS FOR CONSUMERS:

- Influenced the regulator's decision to set the lowest-ever cost of capital – saving customers between £15 and £25 a year on bills from 2020 to 2025 – a total of about £3 billion over the course of the five-year period.*
- Almost 400,000 low-income households receiving financial help through social tariff schemes – up more than 50 per cent.*
- More than £9.3 million in potential welfare benefits identified for customers through our Benefits Calculator.*

SUMMARY - WHAT WE DELIVERED:

- Successfully pressed Ofwat to set its lowest-ever assumption of the cost of capital for the 2019 Price Review, saving customers up to £25 a year.*
- Worked with water companies, the media and other key stakeholders to drive a 51 per cent increase in the number of low-income households receiving financial help from social tariff schemes.*
- Helped more than 3,450 people identify potential annual welfare entitlements totalling more than £9.3 million through our online [Benefits Calculator](#).*
- Mitigated potential sewerage bill impacts for up to 39,000 customers in Wales arising from proposals by Severn Trent Water and Dee Valley Water to vary their licences.*
- Collaborated with water companies to improve the branding and promotion of Priority Services, resulting in 56,000 more vulnerable customers receiving the additional support they need.*

Value for Money - Continued

What we did in Detail: Turning the tide on company financing costs and bills

One of the earliest but most important decisions in every price review is the regulator Ofwat's assumption on the cost of capital. This is the assumption it makes on the cost water companies will incur in raising capital to fund investment in assets like pipelines and treatment works. Water is a capital intensive sector which means returns to investors and interest debt repayments can have a significant impact on customers' bills. A 1 per cent increase in the cost of capital can add around £20 per year to the average bill – so getting the assumption right is of vital importance to customers.

Over the past decade we've pressed Ofwat to set a much lower cost of capital but the regulator's assumptions continued to be too generous to water companies. Customers have been left to pick up the tab through bills that were higher than might have been the case. Once again we called on Ofwat to address this issue as it prepared to set its assumption for the 2019 Price Review in December 2017. We shared with the regulator our [independent research](#) which supported the view that Ofwat should set the lowest-ever cost of capital for a price review since privatisation. The regulator responded positively by setting an assumption that fell within the range recommended in our report. This will save each customer between £15 and £25 a year between 2020 and 2025, through paying less than in the past for the financing of water companies' investment in essential services.



Value for Money - Continued

More low-income customers getting the financial help they need

Our experiences of talking to customers mean we are acutely aware of the financial pressures facing many individuals and families. Making a low income stretch far enough to cover the rising cost of essential bills is a daunting battle for many of the customers who seek our help and advice on a range of issues, including debt. The scale of the problem is reflected in our own research which suggests about 3 million households consider their water bills to be unaffordable.

We've been alive to this challenge for many years and have spearheaded efforts to ensure the water industry does more to help customers that are struggling to pay their bills or are at risk of slipping into debt. As a result of our campaigning and work with water companies almost 400,000 low-income households are now receiving lower water bills through social tariff schemes, increasing by more than 50 per cent in the past year. In some cases these tariffs can reduce bills by as much as 90 per cent but low awareness of these schemes has meant many eligible customers continue to miss out. This lack of awareness has been compounded by the perception among some households that their water company isn't interested in helping them. Changing that perception remained high on our agenda as we worked closely with water companies to share best practice in promoting these schemes. We facilitated greater collaboration through organising an Affordability Seminar which brought together water companies, behavioural economists and other organisations which support the financially

vulnerable, to share good practice and innovative techniques for developing and promoting assistance. We highlighted the rise in support for low-income households in our report [Staying afloat: Addressing customer vulnerability in the water sector](#), which was published in the autumn. The report welcomed the significant increase in customers receiving help but warned much more needed to be done with only about 1 in 5 customers getting the assistance they need. We also explained that the funding of many social tariff schemes was in danger of running dry unless water companies were willing to dip into their own pockets to increase the amount of support on offer. This year we will continue to press the industry to set ambitious targets to ensure financial assistance does more than just scratch the surface and reaches a greater number of customers.

Our strong relationship with the media gave us an invaluable platform to raise awareness of the financial help available to households struggling to make ends meet. Articles in a string of national newspapers, including The Sun, Daily Express and Sunday Times gave us the opportunity to promote assistance schemes and the potential benefits of using our [water meter calculator](#). We were able to highlight how the tool could help consumers quickly work out whether they might be able to save money by switching from unmeasured charges to a water meter. Some customers find they can save more than £100 a year. During the summer we campaigned through the

regional media to raise awareness of the right to trial a water meter for up to two years after our research revealed the vast majority of consumers were unaware of this option, which we had previously been successful in getting all companies to offer.

Money saving expert Martin Lewis also continued to fuel heightened interest in our water meter calculator through repeated mentions during his TV and radio appearances. The biggest surge of interest came in January when it was featured during a bill-busting special on ITV's Martin Lewis Money Show. Viewers clocked up more than 22,000 visits to the calculator during the live broadcast alone, with consumers also seizing the opportunity to soak up our advice on social tariffs and other means of support. By the end of the year it had attracted around 250,000 visits with consumers identifying potential annual bill savings totalling £14.5 million.

IN WALES: We continued to lead the charge in promoting awareness and advice on affordable water bills and debt as part of our commitment to the Water Strategy for Wales.⁸ This included securing coverage for our money-saving advice in the Welsh media, as well as raising awareness through our social media activity throughout the year. Huge progress has been made in promoting social tariffs in Wales with almost 60,000 low-income customers now registered for support. This delivered more than £15 million in bill savings to households in financial difficulty.

8. The Water Strategy for Wales was developed by Welsh Government and is the long-term plan for delivering a thriving water environment that provides value for money for consumers.

Value for Money - Continued

WaterSure take-up continues to grow

WaterSure can cap the bills of some metered customers if they are on benefits and need to use a lot of water, either for medical reasons or because their household has a certain number of dependant children. Our work with companies and our own promotion of the scheme ensured a growing number of households signed up for this assistance. Take-up of the scheme increased by more than 16 per cent in 2017/18. More than 138,000 metered customers are now registered for help across England and Wales. This marks an increase of 756 per cent in the 11 years since we led a project to rebrand the scheme and raise awareness of it.

IN WALES: The number of Dŵr Cymru Welsh Water customers registered for WaterSure rose by 23 per cent to almost 13,500, while take-up among Dee Valley Water customers increased by 11 per cent – up to more than 1,400.

Reaping the benefits of our online money-saving tools

Over the past decade CCWater has been at the forefront of trying to help ease the pressure on customers who are battling to keep on top of water bill payments. Much of our work has focussed on helping customers find ways to cut their bills through schemes like social tariffs. In more recent times we've broadened our approach by helping consumers identify ways to increase their income. Central to this has been our partnership with poverty relief charity Turn2us. We teamed up with the charity in 2016 to launch a [Benefits Calculator](#) on our website to help consumers navigate the complexities of the welfare system and identify whether they may be entitled to additional income. We also introduced a [Grant Search Tool](#), enabling people to search more than 3,000 charitable funds for financial help.

These tools continued to provide a financial lifetime to thousands of cash-strapped customers during 2017/18 with around 3,450 people using the Benefits Calculator to unlock potential annual benefits totalling more than £9.3 million. More than 530 customers also used our Grants Search Tool to identify potential sources of other financial assistance.



Value for Money - Continued

Supporting vulnerable customers

Making sure customers in vulnerable circumstances get the tailored support they need from their water company remained a priority for us. We continued to work closely with water companies to increase the consistency and levels of support that are available to customers with a wide range of additional needs. We also backed the industry's efforts to raise awareness of these schemes, which play a critical role in ensuring vulnerable customers receive additional support – particularly during periods of disruption to their water supply.

Our collaboration led to all 21 water companies in England and Wales branding their own non-financial assistance scheme Priority Services.

These changes and increasing promotional activity from water companies gave awareness of these schemes a much-needed boost, with the number of people registered rising from 308,000 to 364,000 during 2017/18.

We sustained this momentum by inviting a wide range of stakeholders to attend our first-ever Vulnerability Seminar where we explored issues including the progress made on consumer vulnerability, opportunities for the water and energy sectors to collaborate on Priority Services and safeguarding in the water industry.

IN WALES: Almost 26,200 Dŵr Cymru Welsh Water customers had signed up for additional support through Priority Services Registers by the end of the year – an increase of more than 10 per cent. Dee Valley Water also saw a smaller increase of around 5 per cent with 151 customers now registered.

Protecting consumers affected by takeovers or mergers of water companies

IN WALES: Mergers and acquisitions are not uncommon in the water industry but can have a significant bearing on the customers of water companies involved in any deal. Our role is to make sure that consumers' rights are protected, along with their bills and the quality of the services they receive. We will challenge any plans that we feel could be to the detriment of customers.

In January 2018 we opposed plans to vary the licensed supply areas of Dee Valley Water and its parent company Severn Trent, amid concerns it could leave up to 39,000 wastewater customers financially worse off in the long term.

We warned Ofwat, through its consultation on the proposals, that the changes being proposed by the company could leave wastewater customers in Powys and parts of Monmouthshire more susceptible to higher bill increases than they would have otherwise faced during the next decade and beyond. We also

pressed Severn Trent to protect customers in the region from any long-term impact on bills or face the threat of public criticism from us. The company responded to our pressure by committing to mitigate any increases to these wastewater customers' bills indefinitely.



Right First Time

CONSUMER PRIORITY 3:

RIGHT FIRST TIME

Water companies provide services that are easy to access, right first time and sort out problems and complaints quickly and without hassle.



OUR TOP 3 WINS FOR CONSUMERS:

- Supported households and businesses with almost 19,000 complaints and enquiries about water companies and the services they provide.*
- Secured almost £1.4 million in financial address for aggrieved customers, including £580,000 for non-household customers.*
- Successfully challenged water companies and retailers with high numbers of complaints to improve their poor performance.*

SUMMARY - WHAT WE ACHIEVED:

- Helped to resolve almost 19,000 complaints and enquiries from consumers about their water and sewerage services.*
- Secured almost £1.4 million in financial redress for customers with a complaint against their water company or retailer.*
- Held the industry's worst performing water companies for complaints to account through the media and drove improvements in service.*
- Supported non-household customers with more than 4,100 complaints and enquiries as they negotiated the new retail water market in England.*
- Challenged poor performing water retailers with disproportionately high numbers of complaints to improve their service.*
- Published areas of good practice from our company assessments on complaint handling and debt management, which we shared with the industry.*

Right First Time - Continued

What we did in Detail: The new market makes its mark

One of the biggest challenges for us and the wider industry came at the start of the year with the launch of the world's largest non-household retail water market. This marked the most significant change to the industry since privatisation in 1989, giving all non-household customers in England the opportunity to switch water retailer or negotiate a better deal.

Our Consumer Relations team had been prepared for an increase in contact from businesses wanting our help navigating the market. But as the year progressed it became increasingly apparent that a small number of retailers were responsible for an even larger rise in complaints than we had expected. By the end of the year we had received 2,780 complaints from non-household customers – more than triple the amount we had handled in the 12 months leading up to the market opening. Many of these problems could be traced back to a small number of retailers, with the vast majority providing a good level of service for their customers.

We put pressure on retailers to address some of the emerging difficulties. This immediately led to some improvements, including clearer communication to make it easier to get in touch with retailers and additional training for suppliers' frontline customer service staff. Our mediation also resulted in £580,000 of financial redress being returned to non-household customers who had a grievance against their retailer or water company.

It became clear, however, that some retailers' continued poor performance demanded a stronger response from us. In March 2018 we publicly criticised the performance of Castle Water which had accounted for around 44 per cent of the complaints we had received between September and the end of February. Complaints about Castle Water were more than double the industry average, when taking into account the total number of supply points. Our criticism of the retailer in the media resulted in early signs of improvement from Castle Water. We will continue to closely scrutinise its performance, along with Anglian Water Business – now part of Wave – and Water Plus. These retailers were among the other relatively poor performers that we want to see improve. Our work in this area was supported by the publication of our first ever non-household complaints report in late June 2018. You can read it [here](#).



Right First Time - Continued

Making sure water companies put things right

Most of the time consumers do not have to think twice about their water and sewerage services, which may partly explain why satisfaction levels among households in England and Wales about the services they receive have been consistently very high for the past seven years. However, when things do go wrong we expect water companies to put things right swiftly, effectively and with the minimum of fuss. If companies fail to do this, customers can rely on our Consumer Relations team to fight their corner.

During the year we helped consumers with almost 19,000 complaints and enquiries on a vast array of issues. Overall, contacts to us fell nearly 3 per cent but that was driven by fewer enquiries as complaints to us headed in the opposite direction with an increase of nearly 11 per cent.

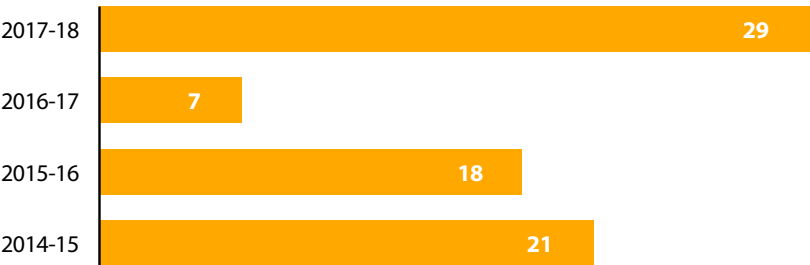
Enquiries



Complaints



Formal Investigations



Findings

The poor performance of a small number of water retailers following the opening of the non-household retail water market in England was mainly responsible for the rise in complaints. However, our consumer relations team was still able to meet our Operational Business Plan (OBP) performance targets for responding to complaints within 5, 20 and 40 working days.

Right First Time - Continued

■ OBP Target ■ Our Result

Our performance against our OBP targets in dealing with complaints about water companies (wholesale and retail companies) is shown in the table below. We met or exceeded all our performance targets this year.

Acknowledged in 5 working days



Closed in 20 working days



Closed in 40 days



Results

2017-18 OBP target Achieved

2016-17 OBP target Achieved

2015-16 OBP target Achieved

2014-15 OBP target Achieved

Right First Time - Continued

Customer satisfaction with all aspects of CCWater's complaint handling

■ OBP Target ■ Our Result

During the year we surveyed up to 100 customers a month to find out how satisfied they were with all aspects of our service. We exceeded our targets for customer satisfaction with complaint outcome and our courtesy. We were slightly behind our target for overall satisfaction with service, which has been affected by us falling short of our target for satisfaction with speed due to resolving a large number of problems raised by the non-household retail market.

In the second quarter of the year higher numbers of complaints we received from non-household customers put additional pressure on our complaint handling. We quickly streamlined our administration processes and recruited and trained more members of staff. The initial difficulties we encountered resulted in extended case-handling times. However, the changes we made put us back on track and we saw a seven percentage point increase in satisfaction with the speed of our service by quarter three.

Outcome of the complaint



Speed



Service



Courtesy



Right First Time - Continued

Investigating companies and securing compensation

Most of the time water companies will follow our recommendations once we are involved in a customer's case and our mediation will be enough to resolve the issue without having to exhaust the complaints procedure. But if a company fails to deliver what we think is a fair outcome for the customer, we have the power to launch a formal investigation. During the year we carried out 30 formal investigations, compared to just seven during 2016/17. This sharp increase was largely caused by the opening of the retail water market with all but two of the investigations involving retailers. The complaints we investigated and resolved resulted in 17 customers receiving financial redress, while one company agreed to take further action. Ten customers received a more detailed response and explanation from their supplier. The two remaining investigations are yet to be resolved.

Our work resulted in almost £1.4 million being returned to customers in financial redress. Since our creation in 2005 we've clawed back more than £27 million for households and business that have been let down by their water company.

IN WALES: We helped to return more than £20,500 in financial redress to customers of Dŵr Cymru Welsh Water and Dee Valley Water through supporting them with complaints against their water company.



Right First Time - Continued

Holding poor performers to account

It's not enough for water companies and retailers to resolve complaints. We expect them to learn from their mistakes and strive to get things 'right first time'. Over the past decade this has been instrumental in turning around the fortunes of an industry that had too often failed customers and allowed complaint numbers to rocket.

Written complaints have fallen each year since 2008/09 as we targeted poor performing companies and turned up the heat on them to improve. Although progress has been encouraging, the publication of our [Annual Complaints to the Water Industry Report](#) in September 2017 provided a wake-up call for the industry. It revealed customers had to make more than 2 million telephone calls to water companies in 2016/17 to resolve problems with their services – an increase of more than 40,000. That overshadowed an 11 per cent reduction in written complaints – down from 106,839 to 95,274.

We used the widespread national and regional media interest in our report to reinforce our challenge of poor performing water companies to improve their service and curb complaints. The largest increase in written complaints was reported by Cambridge Water, rising by almost 250 per cent, while Southern Water remained the industry's poorest overall performer. We asked both companies to provide us with regular reports for the remainder of the year, demonstrating how they were addressing the underlying causes

of complaints. By the end of March 2018 both companies had reported significant improvements in their written complaint performance, although we will continue to closely scrutinise them.

IN WALES: During the autumn of 2016 we raised concerns over a spike in complaints made to Dŵr Cymru Welsh Water which emerged as one of the worst performers in our annual report. We responded by asking the company to provide us with quarterly reports highlighting what action it was taking to curb this increase. The company responded positively through implementing a raft of measures to improve its response to customer issues. This action began to make an impact over the coming months and by September 2017 Dŵr Cymru Welsh Water had reduced its number of written complaints to a level close to that of 2014-15, when its performance was good. As such, we ceased to request detailed quarterly reports from them. Our September complaints report showed complaints made in writing and by phone to Dŵr Cymru Welsh Water had both fallen during 2016/17. Written complaints to the company continued to fall through 2017/18 but we want to see further improvements in the coming year.

Dee Valley Water was praised by us after being named the best performing water company in England and Wales for written complaints. The company also reported a substantial reduction – nearly 42 per cent – in the number of calls it received for customers trying to resolve an issue.

Right First Time - Continued

Sharing best practice

Each year we visit water companies to assess their written complaint handling and debt management. We review in detail a sample of 25 written customer complaints and 25 accounts where the customer is in arrears.

In 2017/18 we assessed three companies' complaint handling and made four recommendations for improvement. We identified six areas of good practice, which we shared with the wider industry to encourage best practice as part of our annual assessment report. Water companies need to collect payment from customers effectively but we also expect them to show sensitivity and offer assistance to people who are in genuine financial difficulty. Every year we look at a sample of cases from companies to make sure they are handling those struggling with debt in a sensitive manner. In 2017/18 we reviewed the performance of four water companies – three in England and one in Wales. These identified nine areas of good practice and we made 11 recommendations.

***IN WALES:** Every year we assess the complaint handling and debt management of at least one company in Wales. In 2017/18 we carried out an assessment of Dŵr Cymru Welsh Water which identified two areas of good practice. We made two recommendations including improving the level of detail in its response to some customers.*



"CCWater took professional ownership of the complaint and administered impartiality to preserve the course of justice."

- Mr Mahmood

Right First Time - Continued

Online advice for consumers

Every year thousands of people click onto our consumer support website which is packed with answers to the most common questions households and businesses have about their water and sewerage services.

During 2017/18



*More than 89,000 people
used the support site to
search for information*



*Visitors viewed
84,000 answers...*



*and submitted 2,000
complaints or enquiries to our
consumer relations team.*

Water on Tap

CONSUMER PRIORITY 4:

WATER ON TAP

A resilient, sustainable, good quality water supply for now and in the future that consumers value and use wisely.



OUR TOP 3 WINS FOR CONSUMERS:

- Identified about £14.5m in potential bill savings for customers through our water meter calculator.*
- Increased public pressure on water companies to reduce leakage, resulting in the vast majority of companies agreeing to meet the minimum 15% leakage reduction challenge set by Ofwat.*
- Successfully challenged water companies to pay increased levels of compensation to customers affected by severe weather disruption, which led to some customers being paid up to £150 for over 48 hours of interruptions.*

SUMMARY - WHAT WE DELIVERED:

- Used our research to influence the industry's approach to encouraging consumers to use water more wisely.*
- Co-sponsored Water Saving Week to help consumers understand the importance of using water wisely.*
- Challenged water companies' handling of incidents that caused disruption to consumers' water supplies.*
- Made sure water companies paid more than just statutory compensation levels to thousands of customers affected by March's severe weather disruption to water supplies.*
- Turned up the pressure on water companies with a poor record in reducing leakage.*
- Supported industry-wide efforts to promote accessibility to tap water in public places.*
- Attracted 250,000 visits to our water meter calculator, which helped customers identify potential annual water bill savings of about £14.5 million.*
- Used our research to help raise awareness of the option to trial a meter.*

Water on Tap - Continued

What we did in Detail: Helping consumers see the bigger picture on water efficiency

It's easy to take tap water for granted but there is no escaping the fact that our growing population and changing climate are turning up the pressure on our water resources. If we do nothing to address this challenge, by 2050 demand could outstrip our supply of water in the UK by more than 20 per cent. Doing nothing is not an option – we have to act. That means water companies need to plan and invest in making our supplies more resilient to these pressures. But we also need to encourage consumers to play their part too by using water wisely.

During the summer of 2017 we carried out a study looking at the best way to communicate water efficiency messages to consumers.⁹ Through our conversations with consumers it became clear we need to do more than just give people practical tips on how to save water. Consumers need help in understanding the bigger picture surrounding the pressures on our water resources and why the small actions they take really matter. Without providing this wider context, water-saving advice and tips are likely to fall on deaf ears.

We shared our research with the water sector and used the findings to influence the way water companies and other organisations communicate with consumers on using water wisely. Over the coming year we will continue to encourage companies to have straightforward conversations with their customers on why saving water should matter to all

of us. We will also continue to press companies to be more ambitious in their efforts to reduce leakage and keep customers informed of the work they are doing. Leakage has a significant impact on customers' own motivation to use water wisely and companies need to demonstrate they are doing all they can to tackle it.

"Thank you for your help and support in resolving this matter. The customer care received has been outstanding and I am very happy with the outcome, your help has been very much appreciated."

- Ms Elstone



9. [Saving Water: Helping customers see the bigger picture](#) – published October 2017

Water on Tap - Continued

Making saving water the habit of a lifetime

Collaborating with other organisations on campaigns remains one of the most effective ways we can inform consumers because it enables us to influence a much larger audience. Over the past five years Waterwise's Water Saving Week has emerged as one of the sector's most influential water efficiency campaigns. We have always been a supporter of the campaign but decided to step up our engagement in March 2018 by becoming one of its main sponsors. During the week we encouraged people and organisations across social media to make a public pledge to save water. We also shared a steady stream of water-saving advice and tips across our social media channels. The campaign attracted considerable interest, including almost 5,000 tweets using the official #watersavingweek hashtag. These messages had the potential to reach an audience of more than 27 million users on Twitter, with over 1,500 people also clicking into the campaign website.

IN WALES: During the Water Saving Week campaign we held a water efficiency-themed drop-in session in Cardiff for Welsh Assembly members (AMs). About a third of Assembly members made a pledge to save water, while discovering more about how we support their constituents. Three ministers – including Minister for the Environment Hannah Blythyn AM – were among the 20 AMs who made a commitment to use water wisely during the session hosted by our Wales Chair Tom Taylor. Drinking tap water instead of buying bottled water proved to be the most popular of the six pledges AMs were invited to choose from.



Water on Tap - Continued

Demanding more ambition in reducing leakage

Most consumers are willing to play their part when it comes to using water wisely but they also expect the water industry to lead by example. Few things can drain someone's enthusiasm to save water more than the perception that their water company is wasting large amounts of water through leakage. That's why we challenge poor performing companies that send the wrong message to their customers.

Over the past five years the industry's performance on leakage has flat-lined and in December 2017 we reported that overall leakage levels had actually increased by just over 1 per cent. In 2016/17 water companies in England and Wales lost 3.1 billion litres of water every day – enough to fill almost 1,250 Olympic swimming pools.¹⁰

We used the publication of our Water, water everywhere? report to warn the industry that it risked undermining consumers' motivation to use water more wisely unless it plugged rising levels of leakage. Our report highlighted the gulf in performance of the best and worst performers with Thames Water losing around 179 litres of water per property each day, compared to Southern Water with less than 80 litres lost per property each day.

Our report attracted widespread national and regional media interest, giving us the opportunity to publicly challenge companies that had seen some of the biggest increases in leakage. These included

Dee Valley Water, Essex and Suffolk Water, Cambridge Water, Portsmouth Water, Thames Water and Bristol Water.

We expressed our support for new proposals by the regulator Ofwat for companies to reduce leakage by at least 15 per cent between 2020 and 2025. However, we feel this needs to be part of a longer-term strategy to drive down leakage levels even further. We believe this is a realistic ambition if all of the industry embraces new leak-detection technologies and more innovative ways of working.

IN WALES: *In November 2017 we published collaborative research exploring the views of customers on the potential transfer in ownership of private water supply pipes from property owners to water companies. It revealed that about nine out of ten customers thought a proposed transfer was acceptable in principle – although support fell slightly once they were made aware of the wider implications. The report will help inform Welsh Government's discussions on the subject of pipe transfer ownership in Wales.*



10. [Water, water everywhere? Delivering a resilient water system](#) – published December 2017

Water on Tap - Continued

Pressing for a reliable supply of water

Time and again consumers tell us what they want more than anything else from their water company is a safe supply of tap water that they can always rely on. Most of the time these expectations are met, with more than 90 per cent of consumers consistently telling us they are satisfied with their supply. In December we reported that the amount of time consumers were left without running water fell by just over three minutes to an average of 10 minutes and 45 seconds per property. But we voiced concerns that the performance of water companies varied considerably and called on poor performers to up their game.

When things do go wrong we always try to respond quickly and decisively to make sure water companies do all they can to minimise any disruption to their customers. There was no better example of this than during March 2018 when a sudden thaw after freezing weather sparked some of the biggest disruption to water supplies on record. More than 200,000 customers scattered across the south east of England, parts of the south west, Midlands and Wales experienced a loss of water supply due to pipe bursts.

We used the national and regional media to provide advice for affected consumers and publicly challenged water companies to go beyond the [Guaranteed Standards Scheme \(GSS\)](#) when compensating customers, given the scale of the disruption. Our early intervention resulted in companies paying up to £150 per customer, significantly higher than the statutory

industry guidelines.

As supplies gradually returned to normal, the Defra Water Minister asked the regulator Ofwat to carry out a formal review of the water supply interruptions. The regulator was keen to make use of our unique insights from dealing with hundreds of customer complaints and enquiries during the disruption. We also commissioned research to explore the wider experiences of customers, absorbing their views on water companies' communication, compensation and support for people living in vulnerable circumstances. Our findings were published in June 2018 and formed a key part of Ofwat's review. You can read the report on our website [here](#).

IN WALES: Almost 30,000 Dŵr Cymru Welsh Water customers experienced disruption to their water supply during the severe cold weather and sudden thaw in March 2018. We gauged how well the company supported its customers during the disruption through the same research we carried out with affected companies in England. Our findings will be used to ensure the company learns lessons on how to improve its response and support to customers during a major incident.

Water on Tap - Continued

Promoting better public access to tap water

Few countries can boast drinking water with the same consistently high quality and safety that we see in England and Wales. Substantial levels of investment by water companies and tough regulations help to ensure these standards rarely slip. Every year water companies carry out millions of tests to check the quality of tap water. In July the Drinking Water Inspectorate – which regulates water quality – reported 99.96 per cent of all of these samples passed with flying colours.

We want to see consumers enjoy the full benefits of having some of the best tap water in the world which is why we have campaigned to improve public access to it. While about two-thirds of us will instinctively reach for the tap to hydrate ourselves at home, it's a different story when we leave the house. Our research shows fewer than one in five people will opt for tap water when they are on the move, often choosing to buy bottled water instead. More than half of consumers blamed poor access to tap water in public places for having to make this choice.¹¹

In January 2018, Water UK launched a campaign pledging to remove some of the obstacles blocking people's access to tap water. Water companies have committed to creating a national network of retailers, coffee shops, businesses and local authorities offering refill stations where people can top-up their water bottle for free. Some companies also plan to install new public drinking fountains and restore historical

ones which have fallen into disuse. As well as encouraging people to drink tap water, it is hoped the scheme will help to curb the 16 million plastic bottles that end up in landfill or blighting the environment and waterways every single day.

We supported the [Refill campaign](#), promoting it widely across social media and taking part in a string of national and regional media interviews championing the benefits of tap water. We also renewed our calls for licensed bars and restaurants to be more proactive in offering customers tap water. This built upon the campaign we supported with the Local Government Association in April 2016 to help encourage consumers to choose tap water as an alternative to sugary drinks.



¹¹. Based on the findings of our report – [Attitudes to tap water and using water wisely, August 2016](#)

Water on Tap - Continued

Water meter calculator adds up to big bill savings

More than half of households in England and Wales now pay for their water supply through metered charges. In the south east of England the overwhelming majority of customers pay for their supply this way due to the spread of compulsory metering programmes. These form part of wider efforts to address the region's stressed water resources.

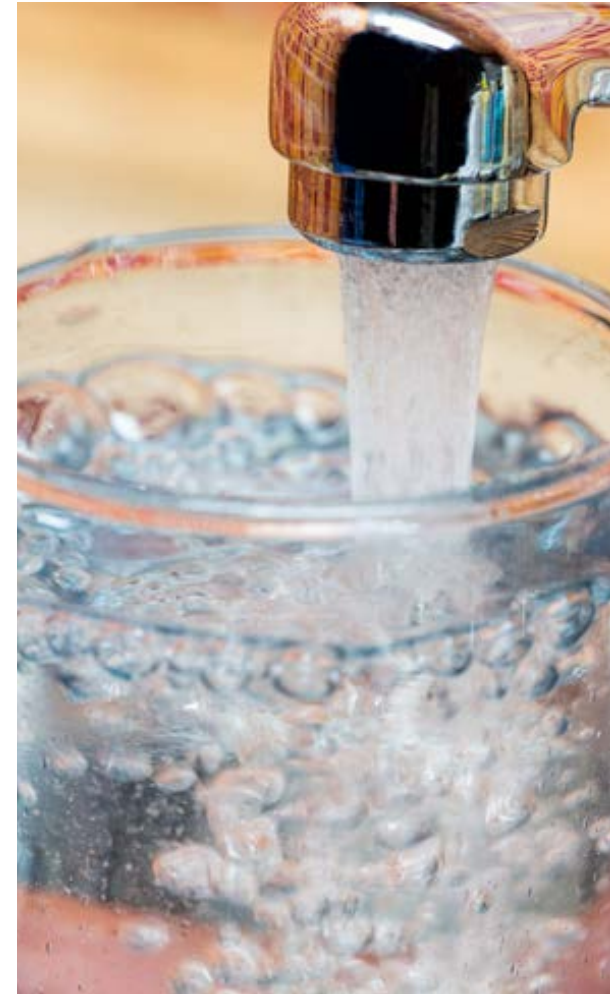
For other customers who still pay unmetered charges, opting to switch to a meter can lead to significant savings on their bills. Some even find they can save more than £100 a year. Switching will not benefit every household which is why we developed a water meter calculator to help customers gauge if they might make a saving. After answering a few simple questions about their water use, the calculator is able to work out what the customer might be charged with a meter. The customer can then make a comparison to their unmetered bill.

The calculator continued to attract widespread media coverage throughout 2017/18, featuring in publications including The Sun, Daily Express, Mail Online and a large number of regional newspapers. Money saving guru Martin Lewis sparked the biggest surge of visitors to the calculator in January 2018 when it featured during his bill-busting special on ITV1. Almost 40,000 households used the online

tool during the month of the broadcast – the most visits the calculator had seen in a single month since September 2016 when it featured on BBC One's Rip Off Britain. The average annual saving for customers who used the calculator and were likely to be better off on a meter was £220.

Raising awareness of the meter trial option

While moving to a meter is compulsory in some areas of the South East of England, that's not the case in other parts of the country and Wales. In most cases households have up to two years to trial a meter and switch back to fixed charges if they are unhappy or don't make a saving. However not everyone is aware of their rights and research we published in the summer of 2017 revealed only one in four water customers who pay fixed charges knew about the meter trial option. During July we launched a media campaign aimed at raising awareness of their rights, and warning consumers they could be missing out on lower bills. Through interviews across regional radio and in newspaper articles, we encouraged consumers to use our water meter calculator to see if they might benefit financially from switching. We will gauge our success in raising awareness levels when our next Water Matters survey is published in July 2018.



A Resilient Sewerage System

CONSUMER PRIORITY 5:

A SUSTAINABLE, RESILIENT SEWERAGE SERVICE THAT WORKS

now and in the future and is used responsibly by consumers.



OUR TOP 3 WINS FOR CONSUMERS:

- Fewer consumers having to complain to CCWater about sewer flooding as we pushed companies to improve their handling of incidents.
- Award-winning regional campaign to tackle sewer misuse and help consumers understand how to reduce the risk of pipe blockages.
- Put forward recommendations challenging the industry to take the lead in encouraging developers and other partners to consider the wider use of sustainable drainage systems (SuDs).

SUMMARY - WHAT WE DELIVERED:

- Complaints to us about sewer flooding fell from more than 500 to fewer than 400 as we pushed companies to improve their handling of incidents.
- Worked in partnership with companies and others to help raise the profile of sewer misuse and challenged manufacturers to improve the labelling of wipes as part of the 21st Century Drainage Programme.
- Partnered Southern Water with an award-winning campaign to help consumers take better care of their drains and the sewer network.

A Resilient Sewerage System - Continued

What we did in Detail: Improving water companies' response to sewer flooding

Sewer flooding is one of the most traumatic service failures a water company can inflict on consumers. Therefore we expect the industry to do all it can to shield households and businesses from the emotional torment of watching their treasured possessions being ruined by sewage.

At a local level, CCWater has challenged companies to deliver their 2015-20 Performance Commitments to reduce the number of properties at risk of internal and external sewer flooding, pressing companies to meet or exceed their targets. Companies have also been challenged to develop long-term strategies to effectively address the risk of sewer flooding in their 2020-25 business plans. We will see the results of this work when companies' Annual Performance Reports (covering 2017-18) and business plans are available later in 2018-19.

A lot of progress has been made over the past quarter of a century in reducing the number of properties flooded with sewage. In 1992/93 almost 12,000 homes and businesses were impacted by internal flooding from the sewers. That number had more than halved by the middle of the current decade, as companies responded positively to our pressure to improve the resilience of the sewer network, taking action such as improving their maintenance of sewers to reduce blockages, improving the management of surface water to prevent it overloading sewers, and increasing public awareness of the risk of the disposal

into sewers of fat and 'unflushable' products.

CCWater sits on the 21st Century Drainage Board, a Water UK project that has brought together over 40 organisations, to identify the major risks for drainage in the future and provide options for how these risks could be addressed. There are two strategic themes for the Programme: long-term planning and improving services through behaviour change.

The industry has also taken on board our calls to provide a swifter and more sympathetic response to customers who have the misfortune of being affected by sewer flooding. The progress most companies have made was reflected in the fact we received far fewer complaints from consumers in 2017/18 about sewer flooding – down from just over 500 to fewer than 370.

But the publication of our report – [Clear way forward: Building a resilient sewerage and drainage system](#) – in November 2017, warned against complacency on an issue that remains far from resolved. Almost 5,700 properties were affected by sewer flooding in 2016/17, nearly a third more than the previous year. The increase was largely down to the poor performance of United Utilities (+90%) and Thames Water (+39%). We have challenged these companies to improve the maintenance and operation of their sewer networks, especially during periods of high rainfall, which was a key reason for the increase. We expect to see a reduction in the number of properties

at risk of flooding in their areas.

Our report applauded the efforts of companies in reducing the number of external areas flooded with sewage, which fell by 11 per cent. But we pledged to keep up the pressure on the industry to fulfil its commitment to reduce the number of properties flooded with sewerage by 33 per cent between 2015 and 2020.

We also challenged companies to use better modelling to understand which properties are most likely to flood, while working in partnership with other agencies to put in place more effective long-term solutions. These should include sustainable drainage solutions (SuDs) which we believe remain under utilised – particularly in England – despite the positive impact they can have on alleviating the pressure created by a sudden torrent of surface water. We are gradually seeing more companies considering SuDs options for managing surface water as part of the investment proposals for 2020 and beyond.

A Resilient Sewerage System - Continued

Tackling sewer misuse and informing consumers

CCWater continued to play an influential role in shaping future policies that help to ensure our sewerage and drainage system can overcome the immediate and future challenges of population growth and our evolving climate. One of the ways we did this was through our membership of the Water UK-led 21st Century Drainage Programme Board, which is made up of all 12 sewerage companies in the UK and representatives of governments, regulators and environmental groups.

It is estimated that up to £100 million a year is spent by the industry clearing blockages caused by these items which have no place in our sewers. These clean-up costs are passed onto all customers through their bills. It's this emotional and financial cost to customers that has kept us determined to help consumers better understand how to look after our sewers. In particular, we helped to lead a strand of work to reduce sewer misuse. The impact of putting inappropriate substances - including fat oil and grease, wet wipes and nappies - down the loo, drain or sink can be devastating for the sewer network and ultimately consumers. These items are often the root cause of sewer blockages which can lead to sewage flooding people's homes and businesses.

We also continued to support an international

campaign, involving water companies as well as environmental and customers groups across 19 countries, to persuade wet wipe manufacturers to clearly label all wipes as 'do not flush'. The campaign made considerable headway in 2017/18 with major retailers, including Tesco and Sainsbury's, adopting the 'Do Not Flush' label on the packaging of their wipes.

We were also part of the steering group that funded and worked with community interest company, City to Sea, via the 21st Century Drainage Programme to rollout a national campaign aimed at reducing the amount of wipes and sanitary products flushed into our sewers. A series of videos and educational tools were produced and the campaign worked with third-party influencers to generate a huge amount of interest and engagement on social media.

Waging War on The Unflushables

During the early part of 2017 we joined forces with Southern Water to support a regional campaign called 'The Unflushables', with the shared ambition of helping consumers play their part in reducing the risk of sewer flooding. The campaign centred around an animated film, produced by the Brighton-based Progress Film Company, which used compelling real-life stories to help customers understand the devastating impact sewer flooding can have on people's homes and possessions. The campaign ran throughout the year

and armed consumers with top tips and advice to help them safely dispose of The Unflushables - including wet wipes, nappies and greasy leftovers from cooking - and keep them out of the sewer system. Between February and November 2017 the campaign's films and messages had reached an estimated audience of almost 14 million people.

The Unflushables landed Southern Water and CcWater a Gold Award for Corporate and Business Communications Campaign at the CIPR Pride Awards for the South of England and Channel Islands in November 2017.

A Resilient Sewerage System - Continued

A sustainable future for drainage

Sustainable drainage systems (SuDs) provide an environmentally-friendly way of alleviating the pressure put on our sewerage network by large volumes of surface water, particularly during heavy rainfall. SuDs can take many forms including specially designed ponds and grassed swales.

Contained within the [UK Government's 25 Year Environment Plan](#) are proposals that could encourage the uptake and long-term maintenance of SuDs but progress has remained slower than we would have hoped. That's why we continued to press and encourage water and sewerage companies to consider using these sustainable schemes to more proactively protect homes and businesses from the risk of sewer flooding. We tabled recommendations challenging the industry to take the lead in encouraging developers and other partners to consider the use of SuDs to help absorb some of the pressure put on the sewer network by heavy rainfall. Our regional committees in England also pressed companies to make sure SuDs featured in the development of their business plans for the 2019 Price Review.



The Board

The Consumer Council for Water's Board was made up of nine members during 2017/18:

You can find out more about our Board members [here](#).



Alan Lovell
COUNCIL CHAIR



Sir Tony Redmond
CHAIR, LONDON AND SOUTH EAST REGION



Tom Taylor
CHAIR, WALES



The Rt. Hon. David Heath CBE
CHAIR, WESTERN REGION



Robert Light
CHAIR, NORTHERN REGION



Prof. Bernard Crump
CHAIR, CENTRAL & EASTERN REGION



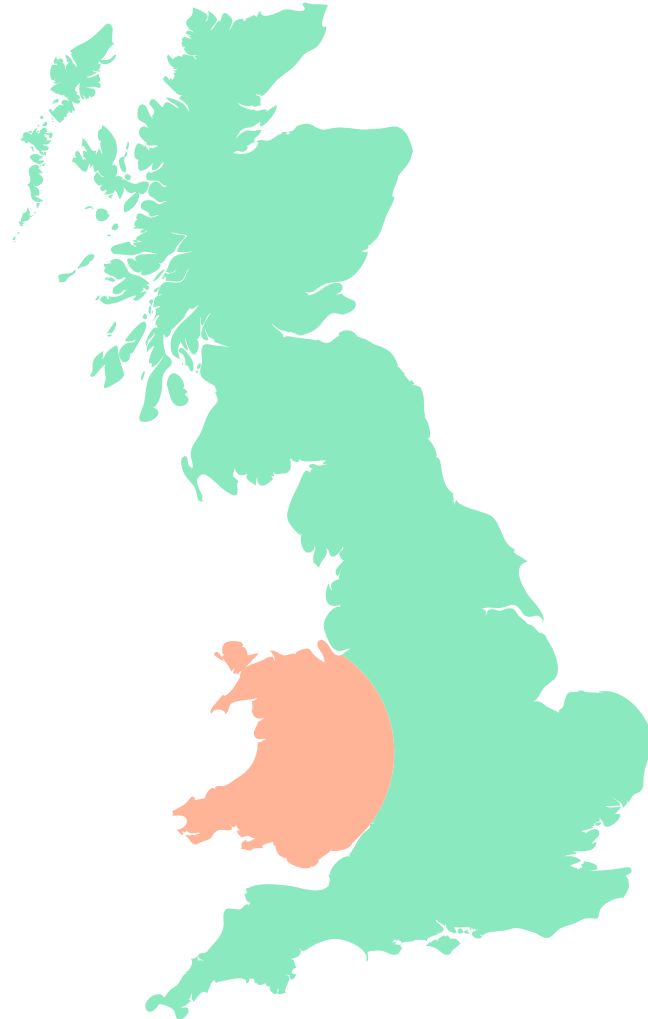
Julie Hill
INDEPENDENT MEMBER



Philip Johnson
INDEPENDENT MEMBER



Tony Smith
CHIEF EXECUTIVE



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Read CCWater's Operational Business Plan:
www.cewater.org.uk/publications/obp/

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August 2018

CONSUMER COUNCIL FOR



CYNGOR DEFNYDDWYR



The Consumer Council for Water (CCWater)

The independent voice of water consumers in England and Wales

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