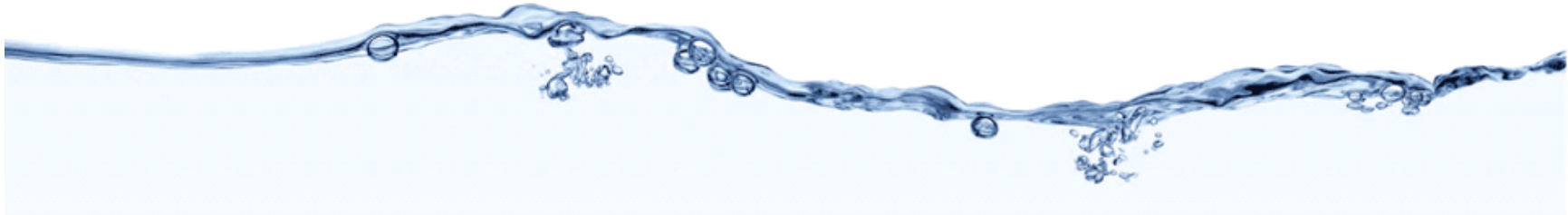


CONSUMER COUNCIL FOR



CYNGOR DEFNYDDWYR



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

**The Consumer Council for Water**

*The statutory water consumer representative*

**DRAFT Forward Work Programme for England and Wales 2019 - 2022**

*For consultation*

## Contents

	Page
<a href="#">Foreword</a> A word from our Chair	3
<a href="#">About Us</a>	
<a href="#">Chapter 1:</a> Our organisation - who we are, what we do and how much we cost	5
<a href="#">Chapter 2:</a> Our successes - what we delivered for water consumers in 2017-18	7
<a href="#">The year ahead: what we'll deliver in 2019-20</a>	
<a href="#">Chapter 3:</a> Our aim, strategic priorities and key campaigns	8
<a href="#">Chapter 4:</a> Measuring success - how we will measure our performance in 2019-20	10
<a href="#">Delivering our priorities for 2019-22</a>	
<a href="#">Chapter 5:</a> Strategic Priority 1 - Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them	11
<a href="#">Chapter 6:</a> Strategic Priority 2: Press companies for safe, reliable water and wastewater services that all consumers can trust now, and in the long term	14
<a href="#">Chapter 7:</a> Strategic Priority 3: 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	20
<a href="#">Chapter 8:</a> Strategic Priority 4: Advocate for affordable charges that all current and future consumers see as fair and value for money	24
<a href="#">Chapter 9:</a> Informing our work through research	27
<a href="#">Beyond 2019-22</a>	
<a href="#">Chapter 10:</a> Taking a long term view: issues affecting the sector in the coming decades	29
<a href="#">Chapter 11:</a> Maintaining our links with Governments in England and Wales	30

## A word from our Chair

A warm welcome to our Forward Work Programme, which I hope will give you a clear picture of our priorities when it comes to standing up for the interests of all water consumers over the next three years.

It is never an easy task developing our programme of work but this year has felt particularly challenging given the intense scrutiny that surrounds the provision of our most precious resource - water.

A political storm has raged over the future of water companies and whether the interests of consumers would be better served by an alternative model of ownership. Tellingly, much of the debate has centred around issues we have raised repeatedly over the past decade. Addressing consumers' concerns over the fairness of bills and value for money, while water companies enjoy the spoils of an overgenerous regulatory system, has always been high on our agenda - and still is today.

Too often in the past year we've also seen some companies come up short of customers' expectations. Missed leakage targets and the poor handling of major supply interruptions like those experienced by more than 200,000 customers during the bout of freezing weather in March 2018 have further eroded the industry's credibility.

It has left the sector at a crossroads and the path it takes now could define its future. As we press into the final year of the 2019 Price Review, companies have an opportunity to change the perception of a large proportion of customers that tell us they are not getting a fair deal. If companies fail to rise to this challenge, we will start to see trust in the industry seep away. And trust is often impossible to restore.

But what does this stark challenge mean for us as the consumer body and the priorities mapped out on the following pages?

**It means** keeping the pressure on water companies and Ofwat to deliver a final deal at the 2019 Price Review that is acceptable and affordable to customers: a deal that strikes the right balance between tackling the investment needs of current and future generations, while providing stable bills in the long term. We will call out any plan that falls short of customers' expectations and press for changes to be made.

**It means** challenging the regulatory system to ensure water companies only receive financial rewards for exceptional performance on services that matter most to customers. Rewarding companies for simply 'doing the day job' is not acceptable to us or customers.



“Companies have an opportunity to change the perception of a large proportion of customers who tell us they are not getting a fair deal...”

Alan Lovell

## A word from our Chair (cont'd)

**It means** making sure water companies share the fruits of their financial success with their customers and not just shareholders. That might mean reducing bills or pouring extra investment into the services that matter most to customers. Doing so can help to nurture the perception that customers are getting a fair deal and value for money.

**It means** improving water companies' support and response to the needs of consumers in vulnerable circumstances. We've helped water companies lay strong foundations through our guidance and support but the failures witnessed during the cold weather disruption showed there is much more to do. We'll work with the industry to ensure it adopts a more effective approach to supporting customers who unexpectedly find themselves in vulnerable circumstances during unplanned disruption.

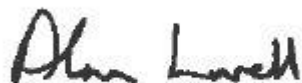
**It means** demanding water companies show more ambition in supporting the 3 million households who tell us their water bills are unaffordable. That includes dipping into their own pockets to fund the expansion of social tariffs and other schemes that can provide meaningful assistance to customers struggling to pay. Using their own profits to fund these schemes - rather than relying on other customers' goodwill - can help companies demonstrate they genuinely care about the people they serve.

**It means** continuing to drive down customer complaints to the industry by naming and shaming poor performers and pressing them to address the root causes of their underperformance. We'll also maintain our pressure on Ofwat to use the full force of its regulatory powers to penalise companies who continue to lag behind.

**It means** delivering on these and the many other priorities we've set out in the following pages and which drive our ambition to secure the best outcomes for customers, present and future.

Much of what you'll see in our Forward Work Programme has been shaped through our conversations not just with consumers, but with other organisations who attended our thought-provoking Customer Matters workshops held in London and Cardiff. They have given us an invaluable insight into how we can continue to be an effective champion for consumers during these turbulent times.

Over the coming weeks we'd love you to reflect on our plan and share with us your views on whether our priorities can help ensure the water industry is seen as credible and trustworthy in the eyes of consumers.



Alan Lovell  
Chair

# Chapter 1: Our organisation - who we are, what we do and what we cost

## Who we are

CCWater is the independent ‘water watchdog’, championing the interests of water consumers in England and Wales. Our aim is to secure the best outcomes for all water consumers, present and future.

Representing household, business and other non-household water consumers, we use our own research and complaints data to hold the water industry to account, helping to ensure that customers remain at the heart of decision-making.

Established in 2005, CCWater is a Defra Non-Departmental Public Body (NDPB) and is a statutory body in Wales who reports to the Welsh Government.

## What we do

We campaign both regionally and nationally to make sure that the collective voice of consumers is heard in water debates in England and Wales, making the water consumers’ case to governments, the industry regulator Ofwat, local water companies, non-household retailers and other stakeholders, such as the Environment Agency and Natural Resources Wales.

We provide consumers with advice and information on water matters and investigate complaints where water customers have tried and failed to resolve issues directly with their water companies and retailers.

Since we were established in 2005, we have supported consumers with more than 380,000 complaints and enquiries and helped to return more than £27 million in financial redress to aggrieved household and business customers.

Our independent research into consumer attitudes and perceptions gives us a unique understanding of long-term industry trends, customer perceptions and day-to-day problems. This insight helps us to ensure the views and interests of consumers remain at the heart of the industry’s price-setting process.

## Advocacy and Partnership

We create partnerships with the industry and beyond to provide advocacy 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, such as the Environment Agency or Natural Resources Wales. 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

If agreed through this consultation, our work for 2019-2020 will cost each water bill payer about 22p per year; this is an increase from 21p, the first increase since 2011-12.

We are committed to providing value for money and minimising our costs to water consumers through real-term cost reductions. On average, our cost increases have remained below retail price index (RPI) for the past ten years.

For 2019-20, we propose a licence fee of £5.783m, an increase from £5.523m last year. This is due to the need for more resources specifically to handle increased complaint numbers to CCWater, particularly from non-household customers. It also reflects a continuation of our 2019 Price Review work, and some inflationary pressures. This increase is offset by a reduction in our accommodation costs through sharing our office accommodation with another government body from early 2019. We propose a budget of £5.9m.

## Our Values

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



## Chapter 2: Our successes - what we delivered for water consumers in 2017-18

During 2017-18, we used our influence to deliver considerable benefits for consumers across England and Wales. Some quantifiable highlights from our 2017-18 Annual Review are outlined below. This Forward Work Programme takes effect from April 2019, and we will be producing our 2018-19 Annual Review shortly after.



**OVER £14.5 MILLION identified as potential savings** for MORE THAN 346,000 people who used our water meter calculator in 2017-18 to see if they could save money by switching to a meter.



**LOWER WATER BILLS** received by **ALMOST 400,000 low-income households**, over **57,000 in Wales**, after we worked with water companies to boost awareness of the help available through social tariff schemes, an increase of more than **50%** on the previous year.



**NEARLY £1.4 MILLION of financial redress secured for customers** who sought our help resolving a complaint against their water company. This included **£20,000** for customers of water companies in Wales. We have returned more than **£27 MILLION** to customers since our formation in 2005.



**MORE THAN £9.33 million potential entitlement to welfare benefits identified as OVER 3,400 consumers** used our Benefits Calculator



**ALMOST 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 **380,000** since we were formed in 2005.



**OVER 4,100 non-household consumers** helped with their complaints and enquiries about retailers during the first year of the retail market.



**AUDIENCE OF 218 MILLION** potentially saw or heard our consumer advice and insight through another unprecedented year of media coverage.

For more information on what we achieved for consumers in 2017-18, download our Annual Review [here](#).

## Chapter 3: Our aim, strategic priorities and key campaigns for 2019-20

**Our aim:**        **Securing the best outcomes for all water consumers - present and future**

This Forward Work Programme is a plan to help us achieve our aim on behalf of water consumers in England and Wales. In doing so, we'll focus on four key strategic priorities, which have been informed by consumers' expectations of what they want us to do.



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



## Focusing our campaign activity

We have ambitious plans for the next three years, and have outlined five key areas where we'll be campaigning to make a real difference on behalf of water consumers in England and Wales. Our 2019-20 campaign objectives are shown below, and these will be supported by our continuing statutory work on helping customers with their complaints, reviewing companies' charges schemes and social tariff proposals:

- **Continuing pressure on poor performing water companies**

We'll do this by:

- a. Addressing underperformance in complaints, leakage, resilience, sewerage and service problems with companies and retailers directly and publicly, and looking at how the complaint process can be improved.
- b. Maintaining pressure on Ofwat to penalise poor performing companies where necessary.

- **Getting companies to share their estimated £500m windfall from financial outperformance with customers**

We'll do this by:

- c. Negotiating with companies to share their financial outperformance with customers to help improve perceptions on fairness of charges, value for money and the credibility of the company with its customers.

- **A price review (PR19) that delivers for consumers**

We'll do this by:

- d. Carrying out acceptability testing with customers on Ofwat's PR19 Draft Determination and pushing for change where plans fall short.
- e. Pressing for the customer experience measure (C-MeX) to incentivise material change in companies' performance.
- f. Challenging the incentive regime (ODIs) so that it only rewards companies for exceptional performance in areas that consumers value the most.
- g. Keeping pressure on Ofwat's decisions on cost of capital and incentives to make sure PR19 is less generous than previous price reviews.

- **Securing more help for consumers in vulnerable circumstances**

We'll do this by:





- h. Supporting companies in surpassing their targets to help 500,000 financially vulnerable customers by April 2020.
- i. Keeping the pressure on companies to consider consumers in vulnerable circumstances - and those regarded as 'transient vulnerable consumers' - during unplanned interruptions.
- j. Pressing companies to contribute to their social tariff out of their profits and thereby improving their credibility in the eyes of their customers.
- k. Keeping the pressure on companies to offer meaningful help and raise awareness of support to all consumers.

- **Getting the non-household retail market to work better for customers**

We'll do this by:

- l. Putting pressure on wholesalers and retailers to resolve the billing and data problems that are causing problems for customers.
- m. Effecting a significant reduction in business customers' complaints to us by the end of 2020, compared to 2017-18 levels.
- n. Working with third parties to raise awareness amongst micro, small and medium-sized businesses (SMEs).

## Chapter 4: Measuring success - how we will measure our performance in 2019-20

<p><b>Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them</b></p> 	<ul style="list-style-type: none"> <li>- Stakeholders' messages are reflective of our key positions</li> <li>- More informed water consumers and stakeholders, with our media messages reaching a potential audience of 150m and our web and social media messaging reaching 2m</li> </ul>
<p><b>Press companies for safe, reliable water and wastewater services that all consumers can trust now, and in the long term</b></p> 	<ul style="list-style-type: none"> <li>- All water companies meet or exceed their leakage targets</li> <li>- Fewer consumers need to complain to CCWater about supply interruptions, with complaints to us falling below 170 by March 2020</li> <li>- Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 368 or below by March 2020</li> </ul>
<p><b>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</b></p> 	<ul style="list-style-type: none"> <li>- An upward trend in consumer awareness of additional help available for consumers in vulnerable circumstances<sup>1</sup></li> <li>- Consumers receive a satisfactory and prompt response from us when complaining about their water company, and we meet or exceed the performance standards outlined on page 22</li> <li>- Poor performing water companies improve their service and receive significantly fewer complaints and contacts, as shown in our 2020 Complaints Report</li> </ul>
<p><b>Advocate for affordable charges that all current and future consumers see as fair and value for money<sup>2</sup></b></p> 	<ul style="list-style-type: none"> <li>- An increased number of consumers rating their water and sewerage bill as representing value for money</li> <li>- More consumers finding their bills affordable in 2019</li> <li>- More consumers considering their bills to be fair</li> </ul>

<sup>1</sup> Reported in our 2019 Water Matters survey

<sup>2</sup> These factors will all be measured in our 2019 Water Matters survey

## Chapter 5: Strategic Priority 1 - Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them

**Deliverables:** Stakeholders' messages are reflective of our key positions. Consumers are more informed about water issues, with our media messages reaching a potential audience of 150m and our web and social media messaging reaching 2m.

### *Why this priority is important:*

In speaking up for and informing consumers, CCWater provides a trustworthy, independent voice that informs water and sewerage consumers about key issues and ensures Governments, water companies and other stakeholders understand consumers' views. We will continue to exert our influence on the issues consumers care about, especially the five key campaign areas outlined on page 9.

In addition to speaking out in the media, CCWater works directly with water companies, Governments and industry stakeholders to make sure consumers' voices are heard and taken into account. We advocate for consumers and use our research and insight to inform the action taken by decision-makers on key industry issues.

The corporate behaviour of some companies, especially when accompanied by severe service failure, can damage customers' trust in the water sector and lead them to challenge the level of profits that companies make. If companies are clear about the services that they provide, and the specific local improvements that they make to their network and the services that they offer, this could help to reduce dissatisfaction in this area.

Discussions on ownership models and what style of consumer representation could work best under different ownership structures look set to continue into 2019, and we will contribute to these where required.

To deliver our objectives under this strategic priority, we will undertake several core (business as usual) activities, which will be supported by a number of time-limited projects during this three-year plan.

### Being an advocate for water consumers to get the consumers' voice heard

Improving trust in the industry hinges on consumers' perceptions of whether companies are delivering what they think is important. Our role is to ensure companies, Ofwat and the governments know what customers think on issues, so they can act appropriately. If the sector ignores customers' views, it puts the credibility of the industry at risk.

We will work with the media both locally and in Wales to help inform consumers about water and sewerage issues. This could be by highlighting local companies' decisions around profits, or by putting reputational pressure on poor performing companies to improve their service.

### Press for service standards for business customers in England and Wales to be excellent

As the retail market is stagnating in terms of micro and SME awareness, we will press retailers to engage with micro, small and medium-sized businesses so that they understand there is a market that gives them choice of retailer service provider and what the price and service offerings are.

In Wales, we will monitor business customer feedback and will inform the Welsh Government on lessons learnt by the retail market in England. We will help with communications, messaging and support through the changes on eligibility for Welsh Water's business customers in England (due to commencement of Wales Act 2017).

We will meet with problem retailers to address complaints about service, especially in cases where complaints about service appear to be escalating, in an effort to get that trend reversed. We also meet the wholesale water and sewerage companies at local quarterly meetings, to speak up for consumers regarding complaint trends.

## Shaping the water sector: Time limited projects

### Monitoring and challenging companies to improve the credibility of the sector, including on financial performance

We will publish a report on companies' financial performance and the consumer implications. We will press companies to share outperformance with customers; ensure Ofwat is aware and takes account of performance at price reviews; and where necessary, press companies to explain why their financial structures, performance and policies are in the consumer interest.

(subject to an initial trial with companies) We will develop a league table to inform consumers about their water and/or sewerage company's performance, relative to others. We will use information already available to show overall performance based on the metrics and measures that matter to consumers. We will use this to identify areas of concern.

### The Wales Perspective

In the same way that we will be monitoring how rewards and profits are shared with customers by water companies, we will engage with Dŵr Cymru in a discussion on how decisions to share/reinvest profits or rewards in their businesses for the benefits of customers are made. We consider this important because of the non-shareholder model of the company.

We will continue to monitor implications of the establishment of a new, Wales only company Wales, Hafren Dyfrdwy . We remain committed to challenging any implications on customers particularly in relation to impacts on their charges.

For a detailed breakdown and timing of our delivery please read Appendix 1 ([Strategic Priority 1](#))

## Chapter 6: Strategic Priority 2 - Press companies for safe, reliable water and wastewater services that all consumers can trust now, and in the long term

**Deliverables:** All water companies meet or exceed their leakage targets. Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 170 by March 2020. Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 368 or below by March 2020.

### ***Why this priority is important:***

The resilience and reliability of the water and wastewater service over the long-term is an issue that requires action. The National Infrastructure Commission in its report '*Preparing for a drier future*'<sup>1</sup> highlighted the need for a 'twin track' approach using leakage reduction, widespread water efficiency/metering and new resource developments to provide additional capacity and resilience to extreme drought up to 2050<sup>1</sup>. This is needed to meet customer and environmental needs. We support the call for more resilience and have always supported a twin track approach. If these recommendations are to be taken forward it will be essential that the impact on and implications for consumers are central to any decision-making and development of future strategies. Some of these proposals would have a very direct and immediate effect on consumers through for example metering or investment in new sources of supply, others will have less immediate/obvious effect as it may involve changes in water treatment and recycling processes. However, the decisions taken over the next few years will potentially change the way the water sector plans for and delivers water services in future and it is therefore essential that there is strong (and consistent) consumer representation, both at national level and locally where the impacts would be felt.

There is a need to address problems associated with ageing infrastructure to ensure customers get the quality and reliability of service they need every day. Our long-standing call for companies to reduce leakage levels in order to meet their customers' expectations is also gaining momentum. Ofwat has given the industry a 15% reduction target for 2020-25, but we think there is opportunity for companies to be even more ambitious, particularly where leakage remains high and/or companies have failed to meet previous targets. The number of water companies only opting for 15% leakage target in their business plan submissions is disappointing. Customers need to be given reasons to trust the sector, and media reports on leakage one day and profits another do not help improve the credibility of the industry in the eyes of consumers. 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. Defra's 25-year Environment Plan also highlights leakage as an issue in achieving its ambition of 'clean and plentiful water'.

To deliver our objectives under this strategic priority, we will undertake several core (business as usual) activities, which will be supported by a number of time-limited projects during this three-year plan.

## Safe, reliable water and wastewater services: Core activity (Water Resources)

Pressing for affordable, safe, resilient water supplies that deliver the best value for money now and in the long-term.

The outcome of the 2019 Price Review and Water Resources Management Planning process (WRMP19) will determine what action will be taken by companies in 2020-2025. It is therefore crucial that Ofwat's final determination (FD) strikes the right balance between the need to provide affordable services with the need to invest appropriately in delivering high quality, resilient services in the long term. We know customers prefer their bills to be stable, without peaky increases - this is true for annual bills but also applies at each Price Review - keeping bills low in the short-term should not result in a significant step change at the following Price Review.

Challenging leakage levels when performance is poor. Press companies to beat their leakage performance commitments.

We have consistently highlighted the issue of leakage over the years in our 'Delving into Water' reports and in 2017 and 2018, our 'Water, water everywhere?' resilience reports. Over the next three years, we will press companies to improve performance where they are not meeting their customers' expectations, identify good practice, innovations and highlight those that have made significant improvements in their leakage management. We will tackle this at a national level within England and Wales, but also locally with each water company, to keep the pressure up face-to-face.

Influencing and promoting activity to help consumers understand why it is important to use water wisely.

With increasing pressure on our water resources, it is key to help customers understand why it is important to use water wisely - to see the 'bigger picture'. We will continue to work with governments, retailers, water companies and other stakeholders, such as Water Resources in the South East, and Water Resources East, to encourage customers to take action to reduce their water use, understand the barriers in Wales and ensure there is joined-up action on water resources for the long term. Locally, we will press companies who have high usage per person, especially in areas of water stress. In Wales, we will work with others to progress behavioural change on water consumption by helping customers understand the bigger picture.



## Safe, reliable water and wastewater services: Time-limited projects (Water Resources)

**Advising on the customer implications of any metering programmes and potential changes in metering policy in England.**

With the delivery phase of a number of the compulsory metering schemes in England coming to an end, we will ensure any outstanding customer issues are dealt with appropriately. We will continue to work closely with those water companies still implementing compulsory metering programmes to ensure experience and learning is captured, and good practice shared more widely. Where compulsory or smart metering plans are included in 2019 Price Review packages, locally, we will scrutinise implementation plans, including support for customers during and after the transition to metered bills. If changes in metering policy in England are proposed, we will represent consumers' interests in discussions and through related consultations.

**Contributing, in England and Wales, to discussions with companies and governments on customer supply pipe adoption.**

We are already working with the Welsh Government as it considers the costs versus the benefits of customers supply pipe adoption in Wales. In England, if the industry or Defra consider customer supply pipe adoption, we will provide the consumer insight required.

We will use the observations made through our joint water supply pipe transfer research to inform any future discussions and communication relating to progressing any policy changes in Wales. We understand that the Welsh Government is considering a phased approach to the issue of ownership.

**Improving resources to everyone**

Explore whether water transfers disadvantage consumers of any particular company.

In Wales, explore how we could represent consumers of private water supplies in times of need.



## Safe, reliable water and wastewater services: Our work on water quality

### Core Activity

Provide the consumer perspective into debates on customer expectations around service issues like taste and odour and appearance of the water supply.

Concerns about water quality issues are one of the top three reasons why consumers said they distrusted their water company, and a top five reason why customers felt their charges were unfair. If the industry wish to regain credibility with customers as the debates around ownership models continue, then they must address one of customers' fundamental issues - the desire for a good quality water supply. Where our complaints are showing this as an issue with certain water companies, we will address this with them at our quarterly meetings or meetings in public, involving the Drinking Water Inspectorate (DWI) where needed. We will also consider this in discussions with companies, as in some areas, information to consumers about water quality may help improve perceptions. We will also keep under review any new or emerging consumer issues, working closely with DWI.

### Time-Limited Projects during this three-year plan

Provide the consumer perspective into company solutions to improving standards on lead in the water supply in Wales and England

Where required, we will consider different company approaches and provide consumers' view on lead. We will continue to monitor developments in relation to the Drinking Water Directive and issues and their impact on water consumers.

In Wales, we will provide the consumer perspective during discussions on reducing lead in water (through pipe replacement). We will also work on delivering joint messages and customer facing communication informed by consumers' preferences. We will work on lead reduction by continuing to attend/contribute to discussions of the Water Health Partnership for Wales and the Wales Water Forum.

## Safe, reliable water and wastewater services: Core activity (wastewater)

Pressing for investment in sewerage systems and innovative, future plans that demonstrate the best value for money over the long term

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 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 are conscious of these pressures as we challenge companies to provide improvements for the long term, particularly in light of Defra's 25 year Environment Plan; and its challenge 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.

Review company performance on sewer flooding so we can target and challenge poor performers; identify good practice and innovative solutions. Press companies to beat, not just meet their sewer flooding performance commitments.

We want fewer household and 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 and share areas of good performance. We will challenge companies at our quarterly local meetings and exert pressure on them to aim to be the best on performance.

Supporting pragmatic, sometimes innovative solutions to water and wastewater problems, such as catchment schemes

Tackling diffuse pollution can add to the price consumers pay now and over the long term, so we will continue to support catchment management schemes where partnership working can reduce the impact on the costs of water treatment. If needed, we will consider how Common Agricultural Policy (CAP) reform could affect water consumers.

We will engage in the development of Drainage and Sewerage Plans by the water industry both at the early stages of the companies' consultation and at the later stages of consultation before the plans are published by December 2022.

For a detailed breakdown and timing of our delivery please read Appendix 1 ([Strategic Priority 2](#))

## Chapter 7: Strategic Priority 3 - 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:** An upward trend in consumer awareness of additional help available for consumers in vulnerable circumstances<sup>3</sup>. Consumers receive a satisfactory and prompt response from us when complaining about their water company, and we meet or exceed the performance standards outlined on page 22. Poor performing water companies improve their service and receive significantly fewer complaints and contacts, as shown in our 2020 Complaints Report.

### *Why this priority is important:*

Our Water Matters<sup>1</sup> research found that the direct experience of service is a key factor influencing whether customers think charges are unfair. Over the last four years those who think charges are unfair are more likely to have made contact with the company within the previous 12 months and are more likely to be dissatisfied with that contact.

Getting the job done right first time stays important and relevant as much now while the credibility of the industry is being questioned, as it has ever done before. Once the customer has contacted the company, ensuring they have a positive experience that doesn't lead to complaints is important. If a complaint does happen, we need to ensure the customer has a prompt process to follow to allow a resolution to their complaint. This is why we will be looking at how the complaint process can be improved and our role in that.

We need to see a significant reduction in business customer complaints to us by the end of 2020, compared to 2017-18 levels, as it is unacceptable that business customers are getting a poor service from retailers.

Locally, we will be challenging companies and retailers who are poor performers on complaints, and assessing the complaint and debt recovery processes of those companies who are failing household customers.

To deliver our objectives under this strategic priority, we will undertake several core activities, which will be supported by a number of time-limited projects during this three-year plan.

---

<sup>3</sup> Reported in our 2019 Water Matters survey.

## Consumer advice & complaints

We will press companies to identify the root causes of complaints and address service issues. Where issues arise from complaints, we will press retailers and companies to take action. Where we see good practice, we will share it.

Poor performing companies will be highlighted in our household complaints report and will update us quarterly on the initiatives they are taking to improve service. We will undertake complaint assessments, share good practice and make recommendations.

We will provide good quality help and advice to household and business consumers when they have a complaint or query.

## Business Customers

We will help to create a well-functioning retail market in England by highlighting to Ofwat and others where the market is delivering for business customers, and where we have concerns that need addressing. We will work towards ensuring good practice is shared with and adopted by retailers and wholesalers so businesses and customers in England and Wales receive good or improved services.

We will analyse and report on retailers' performance so business customers in England can compare the service provided. Complaints paint a picture of how retailers are managing their customer service relationships with business customers, and how wholesalers and retailers are managing their interactions with each other.

## Consumers in vulnerable circumstances

We will champion inclusive design and delivery of services for all consumers but particularly those in vulnerable circumstances, including those transient vulnerable during events such as water supply interruptions. We will seek to understand what 'good' looks like in terms of consumers and stakeholders co-designing the delivery of services, including those in vulnerable circumstances. We will look at examples of this from in the water and other sectors to identify where there are still gaps in realising this ambition.

## Right first-time: Time-limited projects

### Improving the complaint process for customers

We will work with the industry to ensure the occurrence of protracted customer complaints are minimised and customers can achieve a resolution without unnecessary delay. Regardless of the communication channels, we will be pressing companies to deal with complaints effectively and minimise the process from the first complaint to the final stage of adjudication.

### Supporting business customers in Wales

We will support business customers in border areas, such as Powys, Chester and Herefordshire, who want to find out information on their ability to switch water and sewerage suppliers, due to the Hafren Dyfrdwy licence or full commencement of the Wales Act 2017, and monitor any concerns they might have.

### Investigating how comprehensive water companies' emergency plans are in event of an incident (esp. to vulnerable consumers).

Locally, we will review unplanned supply interruption incidents, and other major events to see how well the company has put into action our research recommendations from customers' experiences of unplanned supply interruptions during the 'Beast from the East'. Companies must demonstrate they are acting on lessons learned from incidents and improving how they help, protect and support consumers before, during and after an incident. This includes working with Local Resilience Forums and others, ensuring their priority services registers are up to date, considering how transient vulnerable consumers should be contacted and having the capacity to respond to unplanned events, so customers' supplies are promptly restored and emergency water is accessible.

## The standards we deliver to consumers when handling their complaints

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. We set ourselves challenging targets in case acknowledgement and resolution times, as well as in customer satisfaction and aim to meet them year on year. This is more challenging lately due to the increase in complaints from business customers. This additional workload means we have had to increase our capacity to answer customers' calls, which has impacted on our Licence Fee for 2019-20.

Our performance standards	Our consumer satisfaction targets
<ul style="list-style-type: none"><li>• 99.5% of complaints acknowledged within five working days.</li><li>• 80% of complaints resolved within 20 working days.</li><li>• 91% of complaints resolved within 40 working days.</li></ul>	<ul style="list-style-type: none"><li>• 75% of consumers satisfied with the quality of our complaint handling service.</li><li>• 61% of consumers satisfied with their complaint outcome.</li><li>• 80% of consumers satisfied with the speed of our service.</li></ul>

These performance standards and consumer satisfaction targets compare favourably to other comparator organisations.

For a detailed breakdown and timing of our delivery please read Appendix 1 ([Strategic Priority 3](#))

## Chapter 8: Strategic Priority 4 - Advocate for affordable charges that all current and future consumers see as fair and value for money

**Deliverables:** An increased number of consumers rating their water and sewerage bill as representing value for money. More consumers finding their bills affordable in 2019. More consumers considering their bills to be fair.

### ***Why this priority is important:***

The first year of this FWP leads with the final push to ensure customers get the best deal possible from the 2019 Price Review. Looking forward, we will consider how the 2019 Price Review has delivered for customers, how well customers' views have influenced the outcome of the price review and what should change for the future. We will also represent the interests of customers whose companies appeal their determination.

As the question of fairness of charges and how that links into the credibility of the industry is under our spotlight, we will continue our quest to make charges fair through our annual reviews of companies' charges schemes and press for social tariff schemes to reflect good practice.

To ensure help gets to those who need it, we will continue our message that we would like to see an expansion of the support offered by companies through social tariffs, and companies making a bigger financial contribution towards the funding of those social tariffs.

To deliver our objectives under this strategic priority, we will undertake several core activities, which will be supported by a number of time-limited projects during this three-year plan.

## Consumer Protection

We will help ensure companies deliver effective financial assistance to those most in need, who are struggling to pay. Key to this will be by sharing insights from our consumer research and examples of good practice from within the Industry and from other sectors. We will encourage the use of behavioural insights in reaching the hardest to reach.

We will continue our statutory work in reviewing company charging proposals to both press for the adoption of good practice and to ensure companies do not introduce charging policies that 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. This will include particular scrutiny of charges for customers of Hafren Dyfrdwy.

## Local and Wales Challenges

We will challenge companies locally to ensure the ambition and promises in companies' business plans are put into action and progress monitored effectively via our quarterly meetings. We will also challenge at our local meetings in public where we have concerns about progress.

We will continue our performance conversations directly with each water company through our quarterly liaison meetings and our committee meetings in public. These discussions will not only focus on poor performance and delivering value for money, but on highlighting areas of good performance and sharing good practice and innovations. We will also directly discuss issues such as affordability initiatives and revisions of consumer policies, such as on debt.



## Affordable, fair, value for money charges: Time-limited projects - 2019 Price Review

### Price Review - Draft Determinations

We will research customers' acceptability of Ofwat's draft determinations for each company. If it is less than 80%, we will want to know how Ofwat plans to consider the concerns of the 20%.

If Ofwat's draft determinations do not reflect our consumer research into customers' expectations on what is acceptable, then we will challenge Ofwat on how it will address those issues for the final determination.

We will consider how the draft determinations have considered vulnerability in the round. We want to be sure that help for customers will develop and expand over the next five years and will challenge where this appears weak.

### Performance commitments

We think there could be a customer backlash if companies are rewarded for performance that is not stretching and / or exceptional, especially when the water industry is under increased political and media focus. We will challenge Ofwat if performance commitments are lacking in ambition, especially for areas of the service that are customer priorities.

### Reviews and representation

We will review the price review process from the perspective of the customer. This will include considering whether CCGs have delivered for customers and are the right model for the future, and assessing the techniques for customer and stakeholder engagement, participation and co-design used through PR19 to identify and promote innovation and good practice.

The final stage of the 2019 Price Review will be to represent customers at any CMA inquiry, if a water company appeals against Ofwat's final determination.

## Affordable, fair, value for money charges: Time-limited projects - consumer protection

### Pressing for a long-term social tariff funding model

As it stands, the current social tariff arrangements have the potential to help only around a quarter of the customers who need support as they rely on customers' willingness to fund this through bills. 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 so that water poverty can be eliminated.

### 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.

---

For a detailed breakdown and timing of our delivery please read Appendix 1 ([Strategic Priority 4](#))

## Chapter 9: Informing our work 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.

We will use the comparative information that companies share with us about their operational performance, as well as what customers tell us about their views of their water company, to identify good practice and poor performance. We will use this information to act as a reputational incentive for poorer performers to improve and for the industry leaders to share good practice, through publication of information; presentations at conferences; in the media and in our local discussions with companies.

Our plans are below but are subject to change:

Research that supports our delivery:	2019-20	2020-21	2021-22	2022 and beyond
<b>Tracking research</b>				
<a href="#">Water Matters</a> - our extensive yearly household consumer research, which provides a comprehensive view of consumers' positions on water and sewerage issues, including on value for money and satisfaction with service.	✓	✓	✓	✓
<a href="#">Testing the Waters</a> – our large scale survey of business customers in England and Wales to measure how they feel about water and sewerage issues that affect them, including value for money, while gauging their perceptions of the water industry.	✓		✓	
<b>Other research</b>				
Understanding what future customers will need from the water industry - how things might change for customers in the future, and how the water industry will have to adapt	✓			
If needed, test models on increased competition for household customers in England	✓			
<b>Price Review research</b>				
PR19 research - Acceptability of Ofwat's draft determinations	✓			
Understanding the needs of customers in the business planning process	✓	✓		
PR24 research - research in preparation for the next price-setting process.		✓	✓	
<b>Publish our supplementary insight reports gained from our understanding of research</b>	✓	✓	✓	✓

## Chapter 10: Taking a long term view - issues affecting the sector in the coming decades

We have looked across a 25-year period to assess the challenges ahead to consider what the sector should be ready for. The NIC's report<sup>4</sup> reflects our view that the challenge for the water sector to continue to provide a good quality water and sewerage service in the face of climate change, population growth and ageing assets - while keeping bills affordable - should not be underestimated. It will take innovative approaches and a more strategic approach to planning that allows an appropriate phasing of investment and pace for improvements. We remain committed to helping the sector rise to this challenge and developing its engagement with consumers so that the short-term and long-term expectations of consumers are met and excellent service and value for money delivered. Below are listed some of the issues the sector could face over the next few years:

<b>Consumer-led pressures</b>	Growing levels of household debt	Ageing population	Ever increasing need for internet communication/ presence	Views on household competition
<b>Changing expectations</b>	Increasing customer expectations, including on leakage, water interruptions	Growing customer/media/political debate about ownership, value for money, trust and legitimacy	Greater media/political scrutiny of profits, dividends and executive salaries	Post-EU United Kingdom - concerns over access to financing and broader societal issues
<b>Environment-led pressures</b>	Pressures of climate change; severe drought - water supplies cut off	Regional disparity on water resource availability Pressure for water transfer	Additional responsibility to companies for flooding	Influencing behaviour on water use - increased pressure to compulsorily meter and reduce usage per person
<b>Other impacts</b>	Slower than predicted population growth leads to under-utilised assets	Renewal of major assets and pressure for new reservoirs or desalination	Demographic/Post EU shift - insufficient workers	Adoption of water supply pipes due to interruptions and changing lead standards

<sup>4</sup> National Infrastructure Commission's report 'Preparing for a drier future'. Link [here](https://www.nic.org.uk/wp-content/uploads/NIC-Preparing-for-a-Drier-Future-26-April-2018.pdf). <https://www.nic.org.uk/wp-content/uploads/NIC-Preparing-for-a-Drier-Future-26-April-2018.pdf>

## Chapter 11: Maintaining our links with Governments in England and Wales

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 in its 25-year environment plan, 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:

**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

**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

**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 & wastewater systems/ services; and / or (ii) the protection of vulnerable customers

**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

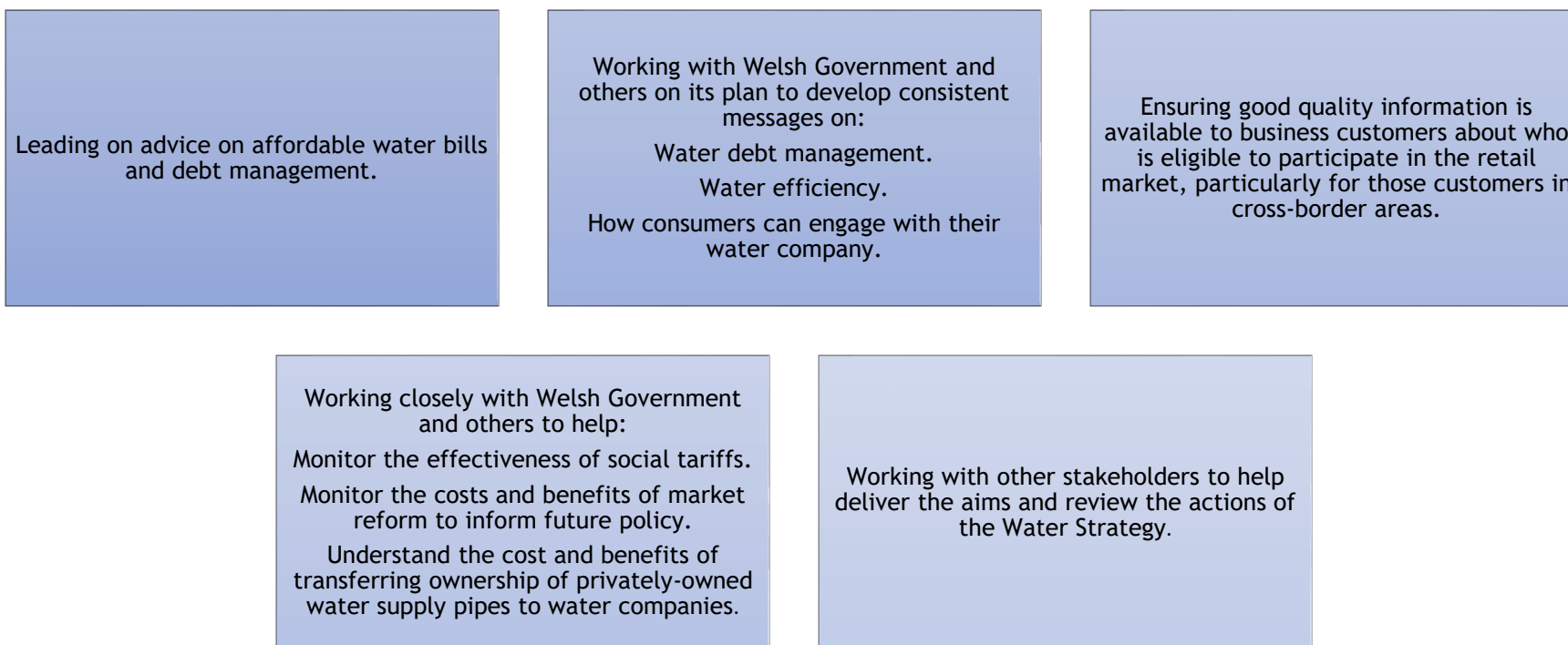
**Wastewater** - water companies should improve planning and investment to meet the wastewater needs of current and future customers

**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 & wastewater systems, by encouraging the sustainable use of natural capital & by having appropriate regard to the wider costs & benefits to the economy, society & the environment

## 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 and Future Generations Act, the Environment (Wales) Act, and its water and sewerage specific accompanying policies. In the next few years we will work closely with the Government and companies in Wales on the commencement of the Wales Act 2017 provisions, which will realign the water industry regulatory boundaries in Wales from wholly or mainly to Wales-only and England-only. We continue to work guided by the Water Strategy for Wales as it outlines an action plan for water resources and water and sewerage services in Wales and provides the context for our work in Wales. We are aware that some of the priorities within that Strategy are changing with increasing emphasis on lead removal and sustainable sewerage/drainage in Wales becoming topical priorities as well as the discussion on water resources and trading with the benefit of Welsh citizens in mind. Social justice and a review of assistance schemes for the companies in Wales could also be framed by a reconsideration of Welsh Government guidance. Welsh Government has also outlined its priorities for Ofwat in its [Strategic Priorities and Objectives statement](#). Ofwat, like CCWater, has a role to play in helping the Welsh Government deliver on its Strategy. Finally, we are aware and participate in all discussion on the Green Growth Bill and will continue to participate in the discussion with emphasis on water and sewerage customer best interest in the future.



For a breakdown of the water sector related differences between England and Wales, please see [Appendix 2](#).

## How to respond to this consultation

We want to hear your views on our plans.

Please send your comments in *Word format* by 9am on 10 January 2018 to:

[Jennifer.Suggate@ccwater.org.uk](mailto:Jennifer.Suggate@ccwater.org.uk)

Consumer Council for Water  
Victoria Square House  
Victoria Square  
Birmingham  
B2 4AJ

CCWater Wales  
General Buildings  
31-33 Newport Road  
Cardiff  
CF24 0AB

## Appendix 1

### Shaping the water sector: Timing of delivery

Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them	2019 -20	2020 - 21	2021 -22	2022 +	England and Wales action	Action for local team
Being an advocate for water consumers to get the consumers' voice heard						
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.	✓	✓	✓	✓	✓	✓
Proactively seek opportunities to raise consumer issues, such as on using water wisely; water bills; refill scheme; fats, oils and grease disposal, 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.	✓	✓	✓	✓	✓	✓
Publish a single league table to show company performance on areas that matter most to customers, on a comparative basis. <i>(subject to an initial trial with companies)</i>	✓	✓	✓	✓	✓	
Press for service standards for business customers in England and Wales to be excellent						
Locally we will challenge retailers, wholesalers and water companies operating in Wales, to work improve service standards for business customers.	✓	✓	✓	✓	✓	
Help to raise customer awareness of the water and sewerage retail market in England and what it offers, by pressing retailers to engage with businesses and by working with business representative groups, particularly those linked to micro businesses and Small and Medium Enterprises (SMEs), and those in border areas.	✓	✓	✓	✓	✓	
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.	✓	✓	✓	✓	✓ E	
Protect customers by working on code amendments and consultations as necessary.	✓	✓	✓	✓	✓ E	



Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them	2019 -20	2020 - 21	2021 -22	2022 +	England and Wales action	Action for local team
In Wales, we will focus on ensuring business and other non-household customers get excellent customer service, and advise the Welsh Government of emerging issues through our monitoring of non-household customer contact.	✓	✓	✓	✓	✓ W	
In Wales and during the commencement and implementation of the Wales Act 2017, we will work with Welsh Government and water companies of messaging on for Dŵr Cymru Welsh Water business customers who are based in England.	✓	✓	✓		✓ W	
Monitor business customer feedback on the advantages and disadvantages of market reform, and will inform the governments on lessons learnt by the retail market in England, and inform any future discussions on further competition in England.	✓	✓	✓	✓	✓	
Help micro, small and medium-sized businesses think about water efficiency through our partnership links.		✓	✓		✓	
Monitoring and challenging companies to improve the credibility of the sector, including on financial performance						
Publish information on company financial performance in order that companies challenge themselves to consider how their approach to profits, dividends and senior salaries appears to consumers and affects their credibility more widely.	✓	✓	✓	✓	✓	
Challenge water companies to share their success if there is evidence of financial outperformance or windfalls (e.g. Resulting from higher inflation) to ensure a fair balance between shareholders and customers.	✓	✓	✓	✓	✓	✓
To monitor and challenge companies to improve consumers' view on fairness of charges in the sector with regard to their financial performance e.g. dividends, taxation and corporate structures.	✓	✓	✓	✓	✓	✓
Monitor and challenge Outcome Delivery Incentive (ODI) performance during 2019-25, particularly where outperformance leads to financial rewards for shareholders paid for by consumers. The challenge on how rewards are used also applies to Dŵr Cymru.			✓	✓	✓	✓
Where rewards are retained by the company, encourage the involvement of consumers in considering how financial rewards should be used for the benefit of consumers. Also encourage consumer participation in decisions on how any penalties should be paid for in the case of Dŵr Cymru Welsh Water.	✓	✓	✓	✓	✓	
In Wales, continue to challenge if licence changes from Severn Trent's acquisition of Dee Valley (now Hafren Dyfrdwy) cause changes that could adversely affect <u>any</u> customers (i.e. charge increases,	✓	✓	✓		✓	

Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them	2019 -20	2020 - 21	2021 -22	2022 +	England and Wales action	Action for local team
charging options), so that consumers' interests are protected and their views are taken account of as Hafren Dyfrdwy embeds its service delivery.						
<b>The Wales Act 2017 commencement in Wales</b>						
As the commencement of the Wales Act 2017 provisions on realigning regulatory boundaries for the water industry in England and Wales takes place, ensure we champion customers interests and we collaborate with the water companies on implementing different Welsh Government policies in a way that is beneficial and clears to customers (e.g. landlord registration of occupiers, sewerage and wastewater legislation and policy. Etc.)	✓	✓	✓	✓	✓	
Work with Welsh Government on messaging around moving the responsibility for water to the Wales/England border, rather than on Welsh Water Dŵr Cymru's boundary.	✓				✓W	
<b>Further Competition in England</b>						
Represent consumers through understanding how the NHH retail market has delivered for business customers, and inform the shape of any further competitive market.	✓	✓	✓	✓	✓E	
Subject to further competition going ahead - ensure further development of further competition meets consumers' expectations of such a market in order for it to be a success.	✓	✓	✓	✓	✓E	
If further competition goes ahead, work with the sector to develop consumer protection policies.	✓	✓	✓	✓	✓E	
<b>Informing consumers and holding companies to account</b>						
Publish comparative information on company performance on resilience in order that companies challenge themselves to deliver an increasingly reliable service to their consumers so that the high level of satisfaction with service increases.	✓	✓	✓	✓	✓	
Publish information on company performance and good practice on affordability and vulnerability in order that companies challenge themselves to raise the bar in their provision of support for their customers.	✓	✓	✓	✓	✓	
Publish information on company performance on household and non-household complaints in order that companies and retailers challenge themselves to deliver performance that compares well to other companies.	✓	✓	✓	✓	✓	

Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them	2019 -20	2020 - 21	2021 -22	2022 +	England and Wales action	Action for local team
Using our comparative analysis to ensure and highlight good performance.	✓	✓	✓	✓	✓	✓
Publish and share with Ofwat and MOSL data on non-household customers' complaints against retailers.	✓	✓	✓	✓	✓	
Easy access to our services						
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.	✓	✓	✓	✓	✓	
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.	✓	✓	✓	✓	✓W	
We will be a dementia friendly organisation.	✓	✓	✓	✓	✓	✓

## Safe, reliable water and wastewater services: 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	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
<b>Water Resources</b>						
<b>Pressing for affordable, safe, resilient water supplies that deliver the best value for money now and in the long-term.</b>						
We will challenge if Ofwat's draft determination (DD) does not strikes the right balance between the need to provide affordable services with the need to invest appropriately in delivering high quality, resilient services in the long term.	✓				✓	
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.	✓	✓	✓	✓	✓	
<b>Challenging leakage levels when performance is poor. Press companies to beat their leakage performance commitments.</b>						
We will challenge companies performing poorly on leakage through our local work, but also ensure customers' views on leakage stay on the industry's agenda.	✓	✓	✓	✓	✓	✓
<b>Influencing and promoting activity to help consumers understand why it is important to use water wisely.</b>						
Work to raise household and business 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 stakeholders in England on their plans to develop consistent messages helping consumers understand the 'bigger picture' (of why we need to use water responsibly) and encouraging consumers to use water wisely now and in the future.	✓	✓	✓	✓	✓	✓

Safe, reliable water and wastewater services that consumers can trust now and in the long term	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
Advising on the customer implications of any metering programmes and potential changes in metering policy in England.						
Represent consumers' views if there are Government proposals to change its metering policy.	✓	✓	✓	✓	✓	
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).		✓			✓	
Contributing, in England and Wales, to discussions with companies and governments on customer supply pipe adoption.						
Understand consumer responses to potential scenarios for transferring responsibility for customer owned water supply pipes to water companies, as a response to water supply interruptions due to customer side leakage.	✓	✓	✓	✓	✓	
Improving resources to everyone						
Explore whether water transfers disadvantage consumers of any particular company.	✓	✓	✓	✓	✓	
In Wales, explore how we could represent consumers of private water supplies in times of need.	✓	✓	✓		✓W	
Water Quality						
Provide the consumer perspective into debates on customer expectations around service issues like taste and odour and appearance of the water supply.						
Where we have persistent or a large number of complaint issues on water quality, we will address them at our quarterly meetings with companies or at meetings in public, involving the Drinking Water Inspectorate (DWI) where needed.	✓	✓	✓	✓		✓
Monitor companies' consumer-facing activity and communications, where major supply, water quality or flooding incidents occur, providing challenge and feedback to the company as appropriate at our	✓	✓	✓	✓	✓	✓

Safe, reliable water and wastewater services that consumers can trust now and in the long term	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
quarterly liaison meetings or meetings in public. 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. We will consider if lessons from the 'Beast from the East' reports have been learnt.						
<b>Provide the consumer perspective into company solutions to improving standards on lead in the water supply in Wales and England</b>						
Use our joint research (with 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, both as a response to water supply interruptions due to customer side leakage and increasing lead standards.	✓	✓	✓	✓	✓	
<b>In Wales</b> , 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.	✓	✓	✓	✓	✓W	
<b>Wastewater</b>						
<b>Pressing for investment in sewerage systems and innovative, future plans that demonstrate the best value for money over the long term</b>						
Engage in the development of Drainage and Sewerage Plans by the water industry to ensure the consumer perspective has been considered, especially in terms of value for money, and planning for long-term resilience.	✓	✓	✓		✓	✓
Work with the 21 <sup>st</sup> Century Drainage Programme Board to deliver a resilient drainage system for the next 50 years and beyond.	✓	✓	✓	✓	✓	
<b>In Wales</b> , we will represent consumers in Wales' interests, where needed on the Green Growth Bill, as it looks to streamline drainage legislation.	✓				✓W	
<b>We</b> will represent consumer interests in discussion on sewerage and drainage reform following the Welsh Government consultation on sustainable management of natural resources, including on any future drainage legislation.	✓	✓	✓	✓	✓W	

Safe, reliable water and wastewater services that consumers can trust now and in the long term	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
Review company performance on sewer flooding so we can target and challenge poor performers; identify good practice and innovative solutions. Press companies to beat, not just meet their sewer flooding performance commitments.						
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.	✓	✓	✓	✓		✓
Supporting pragmatic, sometimes innovative solutions to water and wastewater problems, such as catchment schemes						
Encourage innovation with partnership working on drainage issues.	✓	✓	✓	✓		✓
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.	✓	✓	✓	✓	✓	✓

## Right first-time: Timing of delivery

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

An easy-to-access service is provided right first time for all	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
Consumer advice & complaints						
Press companies to identify their root causes of complaints and address service issues.	✓	✓	✓	✓	✓	✓
Publish annual Household Complaints Report highlighting poor performers, and press for improvements.	✓	✓	✓	✓	✓	
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.	✓	✓	✓	✓		✓

An easy-to-access service is provided right first time for all	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
Highlight and share good practice and innovations in the spirit of continuous improvement through our publications.	✓	✓	✓	✓	✓	✓
Provide good quality, impartial 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.	✓	✓	✓	✓	✓	
<b>Business Customers in England and Wales</b>						
Press retailers and water companies so business and other non-household customers in England and Wales receive good or improved services from their retailers or wholesalers.	✓	✓	✓	✓	✓	✓
Publish an annual report of complaints from non-household customers covering retailers in England and water companies in Wales.	✓	✓	✓	✓	✓	
Publish quarterly monitoring information on complaints to CCWater from non-household customers.	✓	✓	✓	✓	✓	
Hold frequent business customer forums and use the feedback to inform our work representing customers and pressing for the retail market to deliver the right outcomes for customers.	✓	✓	✓	✓	✓	
<b>Consumers in vulnerable circumstances</b>						
Share good practice and innovations on reaching consumers in vulnerable circumstances through our publications.	✓	✓	✓	✓	✓	✓
Explore opportunities to champion inclusive design, improve 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>Improving the complaint process for customers</b>						
Work with the industry to ensure the occurrence of pro-tracted customer complaints are minimised and customers can achieve a resolution without unnecessary delay.	✓	✓			✓	



An easy-to-access service is provided right first time for all	2019-20	2020-21	2021-22	2022 +	England and Wales action	Action for local team
Supporting business customers in Wales						
Advise and support business and other non-household customers in border areas of England and Wales (Powys, Herefordshire, Chester), whose ability to access the competitive retail market has either changed through the new Hafren Dyfrdwy license or will be changing through the enactment of the Wales Act 2017, as required.	✓	✓	✓	✓		✓
Investigating how comprehensive water companies' emergency plans are in event of an incident (esp. to vulnerable consumers).						
As necessary, we will review unplanned supply interruption incidents, and other major events to see how well the company has put into action our research recommendations from customers' experiences of unplanned supply interruptions during the 'Beast from the East.	✓	✓	✓	✓		✓

## Affordable, fair, value for money charges: 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	2019-20	2020-21	2021-22	2022 +	England and Wales action	Action for local team
Consumer Protection - assistance schemes						
<b>Awareness and Access</b>						
Help further enhance awareness and access to assistance schemes for consumers who are experiencing affordability issues.	✓	✓	✓	✓	✓	
<b>TIME-LIMITED PROJECTS - Data sharing</b>	✓	✓	✓		✓	
Help secure the effective implementation and use of data sharing (Digital Economy Act).						

Affordable charges that all current and future consumers see as fair and value for money	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
Share innovations and good practice in data sharing.	✓	✓	✓	✓	✓	✓
<b><i>Social Tariffs and other assistance</i></b>						
Work with companies as they 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.	✓	✓	✓	✓	✓	✓
TIME-LIMITED PROJECT - <b>Pressing for a long-term social tariff funding model</b> Renew consumer engagement on affordability and consumer expectations around social tariffs - consider what the next generation of social tariffs should look like.	✓				✓	
Work with the water companies operating in Wales where they might end up reviewing their social tariff (HelpU) and assistance schemes to address new customer feedback, revised guidance and the need to adapt to changing needs of financially and otherwise vulnerable groups.	✓	✓	✓	✓	✓W	
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.	✓	✓	✓	✓	✓W	✓
TIME-LIMITED PROJECT - Press for the continuation of the requirement for English-based landlords of Dŵr Cymru Welsh Water and Severn Trent to register their tenants who are liable for the water and sewerage bills to remain after the water boundary alignment has taken place.  Challenge Hafren Dyfrdwy to implement the requirements for landlords in Wales and register their tenants who are liable for the water and sewerage bills.	✓				✓W	✓
<b>Consumer Protection - Fair Charges</b>						
Represent water consumers' and developers' interests in charging matters to water companies, regulators and Governments, and share good practice.	✓	✓	✓	✓	✓	
Ensure customers are aware of options to cut bills, including through metering, surface water drainage rebates and affordability assistance.	✓	✓	✓	✓	✓	
TIME-LIMITED PROJECT - Consider hosting an industry workshop to explore innovations, good practice and future policy options around charges.			✓		✓	

Affordable charges that all current and future consumers see as fair and value for money	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
TIME-LIMITED PROJECT - Consider creating a one stop shop tool for consumers to look at all options to reduce bills.			✓	✓	✓	
Ensure bill shocks are avoided/mitigated, including for customers of Hafren Dyfrdwy following the acquisition by Severn Trent of Dee Valley Water.	✓	✓	✓	✓	✓W	
TIME-LIMITED PROJECT - Work with the water companies to ensure that the implementation of the Fire Sprinkler regulations does not result increased charges for water customers in Wales.	✓	✓	✓		✓W	
<b>Local and Wales Challenges</b>						
We will challenge companies locally to ensure the ambition and promises in company's business plans are put into action and progress monitored effectively via our quarterly meetings. We will also challenge at our local meetings in public where we have concerns about progress.	✓	✓	✓	✓		✓
We will continue our performance conversations directly with each water company through our quarterly liaison meetings and our committee meetings in public.	✓	✓	✓	✓		✓
Keep the pressure up on companies to improve customers' perception of value for money, as this impacts on customer's view of how much they trust their water company, through our publications, conference appearances and in the media.	✓	✓	✓	✓	✓	✓
<b>The 2019 Price Review</b>						
<b>Draft Determinations</b>						
<b>Price Review: Consumer Participation</b>						
TIME-LIMITED PROJECT We will acceptability test Ofwat's draft determinations with each company's consumers.	✓				✓	
TIME-LIMITED PROJECT We will review and respond to Ofwat's draft determinations, including their final view on the cost of capital, pressing for the final determination to meet customers' expectations and acceptability.	✓				✓	✓
<b>Affordability and Vulnerability</b>						
TIME-LIMITED PROJECT Review whether the draft determinations address financial and wider vulnerability.	✓				✓	

Affordable charges that all current and future consumers see as fair and value for money	2019-20	2020-21	2021-22	2022+	England and Wales action	Action for local team
<b>Performance Commitments</b>						
TIME-LIMITED PROJECT Challenge Ofwat, if performance commitments are lacking in their ambition, especially for areas of the service that are customer priorities.	✓				✓	
<b>Reviews and Representations</b>						
TIME-LIMITED PROJECT Consider the impact of the 2019 Price Review from the consumer perspective and what aspects could be more consumer-focused in the future.	✓				✓	
TIME-LIMITED PROJECT Consider the future of consumer engagement in price reviews, after reviewing Customer Challenge Groups.	✓	✓			✓	
Encourage innovation in responding to customer service aspirations, as well as water and wastewater developments and consumer engagement.	✓	✓	✓	✓	✓	✓
TIME-LIMITED PROJECT We will represent customers at any CMA inquiry, if a water company appeals against Ofwat's final determination.	✓				✓	✓

## Appendix 2 - 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	Issue	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	Following consultation, process will now set out timescales for policy development
Not applicable	Have regard to Well-being of Future Generations Act & Well Being plans by Public Service Boards	Have regard & facilitate enactment of the WFG Act. Support synergies between plans
On hold	New build sewer standards And Sustainable Drainage Standards	Comes into force April 2019
On hold	Sewerage and drainage reform	Following consultation, process will now set out timescales for policy development
As above Guidance suggests cross-subsidy up to 1.5% yearly	Social tariffs	Guidance suggests cross-subsidy up to 2.5% yearly
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 Wales Act provisions to realign 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