




# CCW

The voice for water consumers  
Llais defnyddwyr dŵr



## **Northumbrian Water and Essex & Suffolk Water (Northumbrian Water Limited) Accountability Session transcript**

13TH APRIL 2026

# Attendance list

Heidi Mottram	CEO of Northumbrian Water Limited
Louise Hunter	Director of Customer and Corporate Services at Northumbrian Water Limited
Richard Warneford	Wastewater Director at Northumbrian Water Limited
Andrew Beaver	Director of Regulation and Assurance at Northumbrian Water Limited
Clare Glen	Qualitative Research Director at Taylor McKenzie Research (TMcK) – Lead facilitator
Rob Wilson	Chairman for Consumer Council for Water (CCW) – Chair
11 x Participants	Water Voice Community Members under Northumbrian Water Limited

**CCW Chair:** Good evening, everyone, I've seen some of you before, welcome back to another session and thank you for joining us tonight. My name is Rob Wilson and I'm chairing tonight's discussion. I'm the Chairman of the Consumer Council for Water, we act as the statutory champion and voice for water and sewage customers in England and Wales. Tonight's session is part of our Water Voice programme. The purpose of Water Voice is simple but extremely important and it's to give customers a stronger, much more direct voice in how their water company performs, communicates and improves.

This session is about accountability. It's an opportunity for customers to question senior leaders from Northumbrian Water and Essex & Suffolk Water directly about issues that matter most to you, about where improvement is needed and about what will change as a result of this discussion. This is not a complaints hearing, just to remind you, and it's not a technical inquiry. It is a structured, customer-led conversation focused on accountability, learning and agreeing clear practical actions.

The topics we'll cover this evening haven't been chosen by the water company or by CCW, they've been shaped by customers through ongoing surveys and discussions within the Water Voice Panel. Now that's really important, this is your agenda tonight, nobody else's and I just want to set a clear tone at the outset. We expect this to be respectful but a challenging discussion, customers should feel able to speak openly and honestly about their experiences and their expectations. Equally, we expect clear and transparent responses from Northumbrian Water and their senior team.

The session is being fully transcribed and will be published, a summary report will follow and the company will be expected to publish an action plan responding to the commitments that they've made tonight. That transparency is a key part of what makes this process meaningful. In terms of ground rules, we'll take one question at a time, we'll keep contributions focused and we'll concentrate on forward looking actions, the sort of things like what will change by when and how will customers know whether things have changed?

I'd like briefly to introduce those joining us this evening. First, certainly the customer panel knows her well, our independent lead facilitator from Taylor McKenzie is Clare Glen, who will guide us through some of the discussion tonight and ensure all voices are heard, and representing Northumbrian Water and Essex & Suffolk Water tonight will be Heidi Mottram, who you briefly had the chance to say hello earlier, she'll be here for all three questions that we're going to be asking and she'll be joined on Question 1 by Louise Hunter, who is the Director of Customer and Corporate Services. On the second question, Richard Warneford, who's Wastewater Director, who will be there for Question 2. Question 3 will be Andrew Beaver, who is Regulation and Assurance Director.

Thank you again for being here and I'll now hand over to Clare to begin the discussion and I'll speak to you a little later. Thank you, over to you Clare.

**TMcK Facilitator:** Thank you, Rob, and thanks everyone for joining. Just before we begin and get into the nitty gritty, I wanted to explain how names in the transcript will be used and handled going forward. So in the room this evening, we will use first names only and everybody has their names up on the screen. In the published transcript, we will ensure all customer names are redacted so after the session, you will have the opportunity to review the transcript from this evening before it's published and if there's anything you've said that you would prefer to be removed or further anonymised, you can request that and we'll respect that, that will happen. The purpose of the transcript is to really accurately reflect the discussion and the actions agreed, it's not to single out anybody in particular.

For each question, we'll follow the same structure so as you have heard, there's three questions we'll be dealing with tonight and it will follow the same structure, so a customer

or community members as we call you, will be asked the question and then Northumbrian Water and Essex & Suffolk Water team will have five minutes to respond to your question and then community members will get a chance to react to that response. We'll work together as a team to define the actions that form part of the company's action plan, coming out of the session. And as you'll have heard, we've got a little team working in the background to create a live document as we're chatting and they'll capture the expected actions and outcomes, both from the Northumbrian Water and Essex & Suffolk Water team and us as community members, and these will be shared on screen after they've had a chance to respond to the question.

The Northumbrian Water and Essex & Suffolk Water team will then have some time to respond to any of the specific actions we've captured, and may agree or disagree or feel that some are in or out of scope and then, also the webinar is being made available for live viewing to members of the broader CCW team, to Defra, OFWAT, the Northumbrian Water and Essex & Suffolk Water team and their Independent Challenge Group Chair and community members on the CCW Water Voice Panel. Lots of people interested and involved in tonight's discussion.

To get us started, I'd love to do a quick round of introductions, just your first name please and where you're based. I'm just going to stop on the top left of my screen as we go round, Community Member 1, you're first, I think.

**Community Member 1:** Hi, I'm Community Member 1 and I'm from County Durham.

**Community Member 2:** Hello, I'm Community Member 2 and I'm from Tyne & Wear.

**Community Member 3:** Good evening, my name's Community Member 3 and I'm from Billericay, Essex.

**Community Member 4:** Good evening, I'm Community Member 4, I'm near Billericay, I live in Basildon, in Essex.

**Community Member 5:** Hi, I'm Community Member 5, I'm in Goodmayes in Essex.

**Community Member 6:** Hi, I'm Community Member 6 from Newbrough in Northumberland.

**Community Member 7:** Hi, I'm Community Member 7, from Suffolk.

**Community Member 8:** Good evening, I'm Community Member 8, I'm from East London.

**Community Member 9:** Hi, I'm Community Member 9, I'm from Newcastle.

**Community Member 10:** Hello, I'm Community Member 10, I'm from Newcastle as well.

**TMcK Facilitator:** Community Member 11, we'll come back to you? We'll get one of the team to give you a call and get you online. I'd love to hand back to Rob now for the first question.

**CCW Chair:** I'm going to kick off with getting the first question asked and just to remind people, it's a bit like Question Time in the sense that the areas of the questions are known but the actual question itself isn't known by the company. Our first question is Community Member 7, do you want to read your question?

**TMcK Facilitator:** I'm just going to share that on our screen for Community Member 7.

**Community Member 7:** As customers, we can accept that bills may go up but what is missing is a clear and visible explanation of what we're getting back for that money. The

real frustration is being asked to pay more whilst still not knowing where the money is going, what it's funding and what has actually improved as a result. It is not enough for that information to sit somewhere on a website, people want clear evidence of what is being delivered in return.

How will you clearly show customers that rising bills are fair and justified, where our money is actually going and what real improvements you are delivering for customers in return?

**CCW Chair:** Great, thank you, Community Member 7. In responding to that, it would be really helpful if Heidi, you could be very specific in responding to the question. It's not generic answers we're looking for, it's real engagement with the question, so I'm going to try and keep you to that. You'll get the initial five minutes but I won't stop you in midstream, I'll spill over as necessary. And to community members, please listen carefully to the answer and make any notes of any questions or any things that occur to you during the answer that you're about to hear. So Heidi, I'm going to pass over to you for the answer.

**Heidi Mottram:** Community Member 7, nice to meet with you and thanks very much for your question. I kind of wanted to kick off by saying I totally get that, right? You would definitely want to know what's going on in this bill, what's it going towards and we spend a lot of our time thinking about how best to communicate that with you. Pretty conscious of the fact that our world, your world doesn't revolve around us, you've got plenty of other things going on so we try to think about ways that we could do it in an engaging way and ways it can [inaudible].

You said not on a website somewhere, in this day and age, a website probably does play a part of it, so if you were to go onto our website now, literally the explanation of where your bill's going and what it's going on is pretty much the first thing you see because we know that that's what you want to ask. So hopefully, that does make it pretty clear, explains your bill, everything to do with it. When we send you your bill in the post, if you also get one that way, then we put a lot of information into that as well, try to use social media and we also come and see people where they are. We schedule a whole load of visits around and about in the localities and given you're in Suffolk, you've probably seen us reasonably visible at the moment because we're talking to a lot of customers about the possibility of some new water resources in Suffolk, and conducting quite a lot of conversations about that because that's going to be quite a big deal for your part of the world, for the coming years. So we've been doing a lot around that.

But it is hard, we recognise it's really hard, we track how many people know about things that we're talking about, we don't get 100%, I'd love it if we did. But we do typically get some people, we have to think hard about where could we find them, could we talk to them through other bodies that we work with? Because we work with a lot of other partners, so we try really, really hard Community Member 7, I guess is what I'm trying to land on you and through a myriad of different channels and we talk to customers all the time about the best way to talk to them as well.

So we're delighted you've decided to come and get involved in talking to us but we do also routinely have customer panels talk to people that's curated by a market research company, who can find the right kinds of people who have the right kinds of demographics, that's the jargon for it, about the sorts of different types of people we might find. So we put a huge amount of effort into it, I think we generally do capture a lot of people but you know, front and centre, if you went on our website, it's the first thing you see, apart from how to pay your bill and how to move house and things that typically are the most frequent queries that a customer would have with us, it's front and centre and lots of people probably do go there as a first place. So I hope that that will be helpful to you Community Member 7, but I'd be delighted and for everybody else of course on here, if you haven't taken a look already at that, please take a look and tell us how it works for you.

**CCW Chair:** Can you just be clear about knowing where the money is going? What it's funding? How do you tell your customers specifically where the money is going and what you're funding? Because obviously, this question has come from somewhere, so is what you're doing enough? Are you planning any changes? What's going on?

**Heidi Mottram:** Two really clear ways, the first one, again if you go through the website or any of those kinds of directions, you're going to see a pie chart that explains, so for the North East, our bill would be about £1.47 a day and in Essex and Suffolk, it's about 91p a day because you'll know we just provide water only services there, and that pie chart tells you exactly what the breakdown of that money is.

We print that on the bill as well and we find customers really like that, we've had a lot of positive response about that, so it tells you if you like, generically where all the money goes to the different pots that it might go in, but you might be really interested in what the projects are. Now this gets just more and more challenging really because we have about 800 projects in flight at the moment, so how on earth we'd ever fit that on something, can you imagine the size of your bill if we tried to put it on there? We can't. So we try to give you general headings, we can give you some examples of things, again if you look into those bills or websites, you'll see some of those things. So this is how we just add, layer and layer and layer of detail – and then if you wanted to know something really specific, you could email us and ask. Did you want and come in and add a bit more, Louise?

**Louise Hunter:** Yes, I did, I think you're absolutely right, Community Member 7, it's so important to understand this and one of the things that we've changed for this year for billing and I'd be really interested in feedback from customers, is we've got a QR code on the bill so that people can go directly to the website, to the link that shows the projects that are actually happening in their area, so that speaks exactly to the improvements that are happening for you and where your money's going in your area. And the other thing that we do because appreciating your point about not everything needs to be on a website, is we go into communities, so we've got this programme called Local Action where we actually do a bit of an ongoing tour through the year, where we'll go into community centres and we advertise that through parish councils and local councillors, and just have a stand for an afternoon where anybody can come along and ask about what projects are happening in their area, or anything else they want to talk to us about really, but that's a great way of people on the ground being able to find out actually in their communities where the money's going, what it's being spent on in their communities and we do a similar thing, we've got these vehicles which you can't miss, they're big blue buses and they drive about where we've got works going on as well, and going into communities and just park up for an afternoon in places like shopping centres or actually even in local communities where we've got works happening, so that people can come along and ask about that.

So we try really hard to be directly engaging in the communities as we can, appreciating that not everybody's going to be able to or wanting to look at a website.

**CCW Chair:** Just before I cut you off and go back to the customers, the questions about rising bills and are they fair and justified? Can you say something about that?

**Heidi Mottram:** Yes, I'm happy to come in and Louise will probably have a bit to add as well. We think a lot about affordability so when we're putting these plans together, we're thinking about value for money, how efficient we can be and we're very, I guess, pleased that our bills in the North East are the lowest in the country, that didn't happen by accident, that's a lot of hard work to keep things as low as we possibly can. In Essex and in Suffolk, they're a little bit above average but that's driven by the fact that we invested in a big expansion to a reservoir in Essex, about 10 years ago and that made a bit of an increase then but it did secure water for a long time, so I think that was the right thing to do.

So we spend a lot of time thinking about it, in this particular five years, a lot of the things that we're investing in have been driven by what the government wants us to do but we still talk with customers about that, what their views and opinions are about it, the best way to go about it when we're putting these plans together and back to Rob, where you were coming at and where Community Member 7 was coming at, we then explain all of that, when it's going to happen, how it's going to impact you locally, so we work incredibly hard to be transparent, but we'd be delighted if you'd give us any more feedback or any other better ways to get that because we've got no desire to hide anything or be lacking in transparency in any kind of way, we're very keen to tell everybody about what we're doing, why we're doing it, where it's going and demonstrate that it's being spent. Do you want to add anything on, Louise?

**CCW Chair:** I'm going to stop you there because I've let you go over on the first one, so we've got plenty of content and thank you very much for those responses, Heidi and Louise. We're now going to pause you as it were and go back to your customers, and Clare, you're going to take forward this part so over to you.

**TMcK Facilitator:** Thanks, Rob. So this section, we're focusing very much on what you've heard, your reactions to what you've heard just now, we're not taking any new questions at this point, it's really to discuss, I've seen lots of you scribbling away, Heidi's response and the team's response. I'd like you to tell us a bit about what you felt was clear and concrete, if there's anything that you felt was vague or uncertain or anything that was missing and most importantly, what specific actions or commitments do you feel needs strengthened or highlighted going forward. Maybe I should go first to Community Member 7 as she asked the question, is there anything in particular you wanted to highlight or any particular actions you want to see, coming out of what was discussed?

**Community Member 7:** Just really briefly, customer satisfaction is obviously problematic at the moment for all of the water companies and people see rising bills, they want value for money, they're worried about the environment and when I look at the bill and I see the QR code reference and the reference to the website, I think "You're not very excited about what you're doing, you're sending me something and telling me my bill's increasing, but you're not saying 'In your area, you'll see this, this is what we'll do in the next year', there's not even highlights in there, and I think it's very hard for me to get excited about what you're doing and thinking positively about you, if you're not expressing that well to me. And so I totally hear everything you're saying, it's all good, it just feels like going to parish council meetings and so on, it isn't necessarily going to reach a huge amount of people.

**TMcK Facilitator:** Community Member 7, would it help then as an action from that, just to have something that's more localised?

**Community Member 7:** Definitely, and some examples, some specifics of some things that are happening that are going to really impress everybody.

**Community Member 9:** Yes, could be like postcode specific or something, like what's happening in NE1, what's happening in NE2, kind of thing.

**Community Member 1:** I think building on what Community Member 7 said that perhaps, I know what Heidi said, there's not the possibility of putting everything down on the bill but if there was a list of say about five or six things within your local area that's happening, and then refer after that to the QR code, saying "If you want to read more about what else is going on, you can go to this," so that it's a hybrid of the two.

**Community Member 8:** Yes, I'm also very happy they have a facility of the QR code for the customers, it's a great customer help and it will be beneficial to make contact with them and to contact the particular points.

**TMcK Facilitator:** Any other thoughts as we've listened through to that? Is there anything that you feel is missing or any other commitments you would like the team to consider?

**Community Member 6:** I actually like newsletters. Now they might be a bit old fashioned and boring but you can have a look and see and you know, maybe by means of some sort of communication to customers where it said, "These are the highlights of what we're doing this month/this quarter/this year, for more information, go to such and such" and that will tell us that you're doing A, B, C, D or E and if there's a particular point that's of interest or that's a gripe, then there's somewhere we can go to have a look more, it's concise as a newsletter or an e-document but it gives us the opportunity to look and see.

**TMcK Facilitator:** There was mention there, Heidi was talking about the pie chart and the breakdown that you have on your bills, is that enough for you to see or is there anything else in particular you'd want to see?

**Community Member 6:** I can't remember the last time I actually saw a bill, all I saw was a debit from my bank account!

**TMcK Facilitator:** Is there any other ways you'd want to see that information communicated? We've said in the question beyond the website, is there anything that would be helpful for the team here to take on board?

**Community Member 8:** They should provide the information before any planning to inform the customers what's going on and what's the next step, and what we will do in the future, at least six months before any step or any action.

**TMcK Facilitator:** Community Member 3?

**Community Member 3:** On a more positive note, I'm quite impressed with the fact that the Essex area is under £1 a day, I think it's great value for money. I've got no complaints about our water supply, it tastes great, it's clean and it's always there, the pressure's good so until something goes wrong, I'm not really concerned. Likewise for the sewage side of things, everything works fine, if I get a toilet blockage, the guys come out very quickly and unblock the drains outside and that's all fine and dandy. But whether or not that goes as far as the big picture, the bad news about sewage spillage into the rivers, seas and lakes, then yes, that is a bigger concern. But from a personal point of view, I'm very impressed.

**TMcK Facilitator:** We're going to move onto that topic soon, is there any other actions or commitments we would like to see?

**Community Member 7:** The other thing is the water companies have been criticised for not being sufficiently active in helping us all with net zero and climate change, and I'd love to see something really hard-hitting and impactful coming out of the water companies, Essex & Suffolk saying, "This is what we are achieving, we are leading the way on this," something very strong, a bit of passion there for something so important.

**TMcK Facilitator:** I think in the session, we talked about seeing those real improvements and showing customers those specific improvements, whether it is highlighting two or three of the most important improvements coming through, and maybe one of those is specifically targeted in that area. Is that something anybody else would welcome?

**Community Member 4:** I think personally, I agree with Community Member 3, I think Essex Water is really, really good, under £1, good value for money. I think they should do, there's a lot of positive things they do, I think they should publicise what they do because I live in Gloucester Park, Basildon and a couple of years ago, the lakes got contaminated, a lot of the fish and the trees were dying, it turns out it wasn't a problem with overflow or anything

but Essex Water brought all their people in, excavated it, mini diggers and sorted out the lake in about three or four months. They spent thousands on that and none of that was mentioned on their website, that's something they've done for the local environment and I think they should publicise more some of the stuff they do get involved. Gloucester Park, Basildon is one of the biggest parks in Essex, you have a lot of running there, a lot of athletics so that was really positive, they sorted it out about two years ago, I think, there was nothing really on social media about it.

**TMcK Facilitator:** Great, so publishing the positive investment stories and news stories. Anybody else want to jump in that we've not heard from? Community Member 11, I don't know if you're back in the room now?

**Community Member 11:** I'm here, it works. I agree with Community Member 3 and Community Member 4, I live in Essex, I've had problems with the drains blocking, on a Sunday they've come out and remedied the situation straightaway, and they turned out to be roots coming through the drains and the guys were top notch professionals and within a couple of hours, they'd done it. All good and their price, under £1 a day, it would be nice if it was lower but in this world that we're living in at the minute, I think that's quite reasonable money, so I can't sing their praises more, I've had no issues with Essex. So yeah, all good for them, thumbs up.

**TMcK Facilitator:** One thing we did mention in our discussions earlier was around clear explanations of moving away from more generic conversations about why bills are rising, around inflation and rising costs. Is there anything else we'd want to see on that point?

**Community Member 11:** Can't we have a news report coming up? The situation in Iran, is that going to put our bills up with the amount of diesel and the petrol costs? Is that going to have an impact over the next six months to us because that's going to be another concern? So we're being hit left, right and centre as it is, are the bills going to rise sharply again? I'd like to see something like that coming along.

**TMcK Facilitator:** So reference to the context in the world we're living in now and how that's changing.

**Community Member 11:** Yeah.

**TMcK Facilitator:** Anyone else who's not had a chance to ...?

**Community Member 5:** I haven't got any problems, I'm in Essex as well, the only issue I have is my water pressure is not very good but it's always been the same and I would like to see information like, I think it was Community Member 6 said, in a newsletter, what's going on. I don't use QR codes, not everyone is online so to get some information when you get your bill or a newsletter, information through the post, what's being done would be good.

**CCW Chair:** Do you feel that the, I'm asking this to all the people on the panel, the company's justified the benefits for the rising bills that you've seen?

**Community Member 6:** No.

**Community Member 5:** No, no justification, it's risen and that's it.

**CCW Chair:** Does anyone want to say anything more about that?

**Community Member 8:** I don't think so, the justification isn't necessary actually, the customers are only interested in and involved in the services they are receiving so any information in the leaflets or in the post is enough for us.

**Community Member 7:** I feel very strongly that water is such a fundamental matter for all of us and not just as people but for nature and the environment and so on, and there's such a huge responsibility in the water companies' hands to safeguard clean water for the future, and for now. I can't simply sit here and say, "My water supply, my glass of water I drink is fine, I want to hear about the infrastructure investment, I want to hear about the projects which are going to make a difference to the planet and are going to secure water supplies for the future, for myself and my offspring." Yes, it's good value, if you look at it in terms of such an essential resource but it's such a bigger issue than just that, we have to look at it in bigger terms.

**TMcK Facilitator:** Before we move on, is there any other additions before we hand back and review the actions that we've captured? Anything else we've missed?

**Community Member 1:** On a local newsletter, they've got some money invested in the local town and basically, they have a chart that has what the thing is, whether it's a bus station or whatever and then it has a sliding scale that goes across and tells you what period of time that is due to come online, so I don't know what kind of graph you'd call that but it shows you what's happening now and what's coming in the near future, and then the longer term. So something visual that is quite, you can get your head round, it's not just the usual charts and different things, it works really well.

**TMcK Facilitator:** So a more dynamic one, do you mean?

**Community Member 1:** Yes, after the meeting, I can send a photograph of it, it's just where you have what the thing is, whether it's road improvements, the bus station and it has, going across, what date they will come online and be finished. So you get an idea, it's not just "When's that happening?", you've got an idea of "That's due 2027", things like that.

**TMcK Facilitator:** So really clear timeframes on when certain projects are being delivered?

**Community Member 1:** Yes, they give the opportunity to highlight what work's already being done that perhaps we're not aware of.

**TMcK Facilitator:** Community Member 4, we'll come to you?

**Community Member 4:** I was just saying about bills, I do think bills have gone up but I always say one thing, water's been cheap for a long time, like Essex Water is really good, my water bill is about £1.50 a day and it's a family of four, we have showers obviously, baths, unlimited tap water, so for £1.50 a day, it's less than a cup of coffee. So if you compare it to gas and electricity, water is still very cheap in the UK. The average household bill is £600 a year, which I think is still really good value – yes, it's gone up, it probably was £350 10 years ago, whatever it is but in terms of the cost of living crisis, it's less than a cup of tea in a café, which is pretty still amazing, I think.

**TMcK Facilitator:** We've identified lots of interesting and clear themes and gaps there, so I'm going to share my screen. You'll all have seen a copy of the template that we're writing into, this has just captured what Heidi talked about at the beginning in terms of things that the company are doing currently and some commitments they've made to what they're doing in the future. What we're interested in here is defining the commitments and actions that we would like to see highlighted. I'm going to read these through and this is the time to feedback and make sure that we're happy with these actions.

We want to know if they're clear, if they're specific and if there's a time element, if we're happy with that and whether you feel that would be meaningful, from a customer perspective like yourself. If something feels too vague or it lacks a timeframe or it doesn't go far enough, this is the moment to really tighten these actions up. An action will only be

agreed when it's clear, specific and measurable where possible, and meaningful to customers like yourself. If it doesn't meet that standard, we'll refine it together in the session and we'll not move on until we're happy with these.

The first one was postcode specific examples of investment, keeping it localised, provide a list of five to six clear actions in the local area on your bill, and then a link to a QR code for wider investment projects. The second one was to consider a customer newsletter or e-document, provide monthly, quarterly, etc, highlights of the company projects and then provide a QR code to link to wider projects, if you want to investigate further.

Number 3 was to provide details on projects in advance of them being approved, for example, on bills six months in advance of a project start. Number 4, clear advertisement of positive company activity and investment and use platforms such as social media. Number 5, clear plain English explanations of bill increases, make references to current affairs and events impacting bill prices, so it might be around political conflicts, and explain what projects higher bills are funding, things like sustainability initiatives that we mentioned.

Number 6, to ensure bill information such as increases are communicated clearly on non-digital channels too, we mentioned the post and newsletters. Number 7, safeguarding clean water, for now and in the future. Number 8 is examples of infrastructure development and Number 9, clear timeframes and dates for projects advertised clearly and upfront, so giving that point that Community Member 1 was making it more dynamic.

How do we feel about those actions? Is there anything that isn't clear or that you would like to add?

**Community Member 8:** It's very good information, it's very clear information, it's lots of information, I think everything is covered.

**TMcK Facilitator:** Is there anything that you feel is not covered?

**Community Member 3:** You've got a column there for the timescale, which is one of the measurables but I think you're missing a column for cost. I think there should be a cost column there to show how much it's going to be, how much each action is going to cost.

**TMcK Facilitator:** I think we'll leave that up to the water company to figure in the background, it's a good point, this is a template we're working on across all the water companies, so we've just got to keep it consistent with what everyone else is feeding through. So at the moment, there is a timescale column so if there's anything specific you would like to see more timebound on these, maybe short, medium or longer term, we can certainly throw that back to the panel as well. So are we happy with that list?

**Community Member 1:** I was going to suggest that things like the clearer explanations and positive activity could be done relatively quickly, if they're issuing a yearly bill, they've got plenty of time to get the ball rolling. My main concern is there's got to be a balance between getting the money from consumers and taking the money out of the profit, if there needs to be any further improvement to improve the clean water for now and for the future because they may just say, "Government has told us to do this, we're going to have to charge you more." I think we do have to pay more but there's got to be a balance between them having a lower profit that particular year because they're taking some of the money, to invest back in, to ensure that.

**Community Member 7:** Just on two points: 5 – clearer plain English explanations of bills, I think it says "make reference to current affairs and currents impacting bill prices, e.g. political conflicts", I'm worried that it's going to be very general and it's not going to be

specific enough information, and that's what we are seeking. It's very easy to say "fuel prices have gone up this year", that's going to be true for everyone but we're looking for what projects are you delivering? How is it value for money? And has there been any really unusual activity that's going to have affected that? The other thing is 8 – what would an ideal water company response look like, infrastructure development? What does that mean? It's not very specific as a point, I think that needs to be expanded because I presume it's covering the point that we want infrastructure to be prioritised.

**TMcK Facilitator:** What specifically? Is there anything specific we would like to see in terms of turning that one into a commitment or an action?

**Community Member 7:** Specifically on leaks and updating pipeworks, increase reservoirs and actions on the environment, there's a lot there. And on the plain English, you do see things like "promoting sustainability" said in existing literature, what does that mean? So it's clear and helpful plain English.

**TMcK Facilitator:** Anyone else who's not had a chance to add anything at this point? Community Member 10, do you have any thoughts here or are you happy with what you're seeing in terms of the actions?

**Community Member 10:** I'm all right, I'm quite happy, thank you.

**Community Member 5:** Yeah, I'm happy with what's there.

**Community Member 1:** Just one last thing regarding infrastructure development, that could be also looking at improvements to the overflow system, perhaps removal of some of those overflows by having infrastructure being done in a different way because that's a major problem, as a number of our panellists have pointed out, the overflow issue.

**TMcK Facilitator:** And we might cover that in the next point specifically but if we want to put it in here as well, thank you. Great, I think we've done very well, eight points, thank you and I'm going to hand back to Rob now.

**CCW Chair:** Just one clarification, Essex & Suffolk don't have wastewater services provided by Northumbrian Water, just so that you know because I think there was some confusion about that in the conversation. Heidi, you've heard from your customers, I think the key to what is next is about linking the communication on local projects, infrastructure, things that we've discussed, to value for money and I think that Community Member 7 mentioned that quite clearly. But before we finalise any actions, I want to give Northumbrian Water a chance to highlight if there are any commitments they believe aren't feasible and if they aren't, an opportunity to explain why, what the constraints might be on any of those. I'm going to hand over to the company and Heidi to lead that and give us some feedback on what your thoughts are.

**Heidi Mottram:** Thanks very much Rob, and thank you very much everyone, really interesting to listen to your views and thoughts. I think particularly listening to Community Member 7 made me think we should get more positive, you're quite right because there's a lot of really good things going on. I'm slightly kicking myself because I think when I answered the first question, feeling a little bit time constrained, we were talking about where we explained things as opposed to what we're doing but a really big picture stuff would be in the south of England, in Essex and Suffolk, your bill increases are driving additional water resources because you're in a water stressed part of the world, and so we're going to be spending money on new things to make sure that you've got water for many, many years to come and we can get into the detail of that offline, if you want.

In the North East, it's largely being driven from where Community Member 1 was coming from, things to do to reduce storm overflows and to improve the quality of rivers. So that's the big picture of what's driving these and because we know this stuff, it's sitting underneath this website but Community Member 7's making me feel that we need to bring some of this more to the fore, and more positively, but you can go down and go into your area and you can see what's being done, there's headlines and money associated with projects and all the things you've been talking about but what you've landed on us really well, is that we need to do a better job of communicating it.

So just get that we try really hard and we'll go again after this and we'll see if we can do things better. This idea about a newsletter is interesting, I would be slightly wary of trusting the Royal Mail at the moment but maybe an e-letter or some such thing might be something we could think about. Postcode, there was an idea, I think that was from Community Member 9, about postcodes and searching by postcodes. We do what's happening operationally that way, maybe we could do the investments in that way and to Community Member 8's point, we will definitely tell you if we're ever doing anything where you live, well, well in advance of getting anywhere near doing it, so just to reassure you on that.

Community Member 7, you mentioned net zero, we've got a brilliant news story there. Since 2009, we've reduced our carbon emissions by 91%, they're tiny now and there's some really exciting ways that we've done that including the infamous "power from poo", which is in the North East I admit, but it has driven our carbon emissions right down. So there is some really good stuff and that's what's come out loud and clear, is how can we find better ways to communicate that with you and we'll listen to that and work with that. Loads of other good things but the bit I feel I really missed is to explain to you that there's a lot of money being spent on real assets to get more water into Suffolk in particular, where there's quite a big need. In Essex, we invested as I mentioned at the outset, Abberton Reservoir, making it much bigger a few years back but we'll go again, probably in about 10 years' time when we're in the build-up to that and so there's work having to happen now. Suffolk before that, so it's water resources in the South East and its water quality, river water quality and storm overflows largely, in the North East and Rob, thank you for making that correction. When we're operating for Essex & Suffolk Water, we're providing just the water services to you but I think Community Member 3 understood this, that the 91p is the water bit and I think he said £1.50 overall and I'd agree with you, I think that's good value for money.

In the North East, we're doing water and wastewater and it's just a little bit less than £1.50 a day, so it is good value but that distinction's a bit different. I'm sure Anglian Water would be delighted to hear the two Community Members' positive experience of people turning up to fix their drains, but we have to credit Anglian Water for that, if it's in the North East, it will be Northumbrian Water turning up to fix your drains. Hopefully that's a bit clearer now.

**CCW Chair:** Can I just be clear, Heidi? In terms of the actions that have come out, the nine actions that have come out, are you happy with all of those, that you can deliver all of those?

**Heidi Mottram:** Well, a lot of them were to do with communication, weren't they? So I think we would probably want to carry on the conversation with you about that, to work out what the best way to do it. Some of it I think we already have but we're not clearly making it clear enough, so we could, with your advice and guidance, we could make that clearer. But we've also got some new ideas. I think Community Member 1's idea was a new one, the newsletter idea is a new one, so we could definitely carry on with that. But I think some of the actions were about what to spend the money on and I think that's probably because I chose to answer the question under a bit of time pressure, a bit differently. It is all sitting there in the communication that we give and I've tried to bring it out in this second answer, I hope I made it a bit clearer then.

**CCW Chair:** Yes, thank you. So customers, having heard that explanation, does that feel reasonable and proportionate? Or have you got anything you want to add?

**Community Member 6:** I think that response is taking things on board and let's see what comes out of it.

**CCW Chair:** Clare, do you want to add anything to that before we move on?

**TMcK Facilitator:** No, I think that's great, I think we've got a really fantastic list to work to and that will be shared as well.

**CCW Chair:** Thank you then for that. For the record, as I understand it, we've now agreed those actions on this question and we can move onto the next question.

**TMcK Facilitator:** I'm just going to introduce another panel member here, I'm going to add Richard into the chat and thank Louise Hunter very much for joining us.

**Louise Hunter:** Thank you, fascinating conversation.

**CCW Chair:** So we're onto the next question and it's Community Member 6, do you want to bring that question up on screen?

**TMcK Facilitator:** I'm going to share my screen now with the second question.

**CCW Chair:** Community Member 6, you're up.

**Community Member 6:** I live near the River South Tyne, 100 yards from it, where upstream there's great salmon fishing, a few miles further down, there's what feels like constant reports of contamination. That makes this issue very real and very close to home, customers are worried pollution is still happening at these levels, that the damage to rivers and local communities is continuing and that there is still not enough confidence that the problem is being fixed quickly enough.

What will you do now to reduce sewage pollution and storm overflow discharges? What stretching targets and timescales will you commit to, and how will you be held accountable if these reductions are not delivered?

**CCW Chair:** Thank you, Community Member 6. Can I remind Heidi and Richard, please engage directly with the question and try to answer the question. Just to remind customers, write Heidi's answers down so that you can feed anything back later that you want to. Heidi, you're first up to try and answer this.

**Heidi Mottram:** Community Member 6, you live in a beautiful part of the world, I think we're all very jealous of you but thank you for sharing that question. Interesting, a lot of people in our company are salmon fishers so they know a lot about the state of the Tyne and actually the work that's been done over years to clean up the Tyne, over many years, it's what's made it the best salmon fishing river in England and you probably know that.

But we are not at all complacent and there is work to be done, so as I mentioned in answer to the previous question, in the North East, the bulk of what's driving your bill increase is work to do, two things; one is to stop those spills and I'll come back to what we've done already and the other is to put additional treatment processes into wastewater treatment works, to take more out than used to be taken out because you can basically add more and more process to that, to try and help that.

So those two things are driving the bill and as you know, a lot of that is to do is to protect beaches because in the North East, we have fabulous beaches as well, the best beaches in the country, so that's what the context of it is.

We've been working on this issue for quite a number of years, you'll be pleased to hear that, we didn't just start this recently, we've done a lot of work, both in rural areas and in the cities, to try to – because basically a lot of this is driven by rainfall, not sewage itself, because we have a combined system in our country and when the rain goes in, it pushes everything out and it comes out of these storm overflows. We've done a number of schemes in the centre of Newcastle, for example, using green areas to take surface water out and that's been going on.

Our shareholders funded us early because I think Community Member 1 asked a question earlier on about shareholders putting in money, our shareholders have put in £400m, into all of this and we started work in Newcastle to make Newcastle sewer system into what's called a smart sewer system. The easiest way I can explain this is to say we're doing effectively what was done in Paris, to protect the Seine and we're using the storage underground and moving water around underground, so that it stops it coming out and that work has been going on for about 18 months, and it's almost complete and we're delighted with how that's gone. Most of it's going on under your feet, you can't see it but it's working really well, so well that we've now moved onto the system around Redcar and Marske, which for those of you who aren't familiar with where that is, it's at the mouth of the Tees River, where we can do something similar.

So we're working really hard on that, we've been putting additional storage into treatment works so that we can hold water back when it comes in rainfall and release it much more slowly. We've been relining pipes, we've been doing all sorts of work all over the place and I'm delighted to hear, Community Member 6, that it's working for you. We haven't had a serious pollution in our operating area now for quite a number of years, we're industry leading in respect of that, I think sometimes we see some horror stories of other companies where there's dead fish and all sorts of horrible things, this is not happening in the Northumbrian Water area and we have the lowest level of pollutions of the whole country, last year as well.

And on spills, we managed to reduce our spills between 2024 and 2025 by 31% with all of this work, now arguably it didn't rain as much, we all noticed that but the rain in the North East was lower by about 24%, so the fact that we reduced our spills by 31% shows that we're outperforming the rain if you like, we're running faster than that and we've got a whole load of more work that's going to go on over the next five years, which as I said is in your bill and is also being paid for by our shareholders, which will get that even lower and lower. So by the end of this five-year period, we'll be probably about as half as low again.

**CCW Chair:** Heidi, can I get you onto the section targets and the timescales you'll commit to?

**Heidi Mottram:** Stretching targets, I was trying to answer that one at the end, so our target is to get down to an average of just over 14 spills per overflow by the end of five years. Eventually, the Government wants us to get that down to 10 but not until 2050, so to get that done by 2030 is very stretching, we're currently at just over 17, so we need to work incredibly hard to get down to just over 14, so that's what it is on storm overflows. We've committed to continuing no Category 1 serious pollutions and every year that goes by, we have to hit that target, that's way above what most other companies achieve and obviously you can't get any better than zero, and to have the lowest levels of pollution.

One of our challenges, just so you know, with pollutions is we're struggling a little bit and perhaps people who are living in the North East will remember Storm Arwen, when all the

power cables came down, we have a real problem with the power supply in the North East, it's very vulnerable, it's above ground, it blows over in strong winds, which there is more of with climate change and unfortunately, the energy company can't guarantee us that the power will come to our assets, so we sometimes lose power to our assets and that causes us problems. So we're trying to be innovative at the moment and we're putting battery supplies, big battery packs onto these assets to try and keep them going until we can get there and fix them, it's really hard. Community Member 6, you'll know, living where we live, that we can't get a second power supply to the middle of Northumberland, it would cost billions, so we have to do things that are a little bit innovative. But we are so passionate and so committed to this and making a difference already, happy if Richard wants to come in and add anymore points, but that's where we are and all our targets are pretty much higher than anybody else's at the moment.

**Richard Warneford:** So just on the last point Heidi's made, Richard Warneford, everybody, nice to meet you all. I think that target that Heidi talked about, getting to 14 spills, was the biggest reduction of any of the water companies, so again it is ambitious and it is something we push for, we really want to see this improve. There's a spend of £1bn on storm overflows alone as part of a multibillion pound programme, so clearly that links into things like bills we talked about before, but £1bn on storm overflows is significant, we're targeting, we've got 1,500 storm overflows as a critical part of the system, they prevent people from flooding and heavy rainfall, but 239 of those storm overflows, there's a commitment to get down to less than 10 spills, which is the Government target, that's the first tranche that will be done this AMP, this five-year period, we refer to them as "AMPs" and then that will continue and continue till all of them are done over the next couple of decades.

The final thing I'd probably want to mention on top of the targets is we like to be really transparent about this, you can go online and see, within the network, any of our spills on a map. So within one hour, we publish when there's been a spill and we let customers know. So if you look today when it hasn't been raining, hardly anything is spilling today, if there was anything spilling, it would be a problem and we'd be out resolving the problem. The other thing we do really well is we push really hard to self-report, when there is an issue, we tell the Environment Agency, "There has been an issue," we have pretty much the highest levels of self-reporting.

**Heidi Mottram:** That's over 90% of all incidents are reported by us.

**CCW Chair:** The last part of the question was how are you going to be held accountable, if these reductions aren't delivered?

**Heidi Mottram:** At a company level, these things are in our business plan, so they're a commitment to you, our customers and we'll report on that, so you'll see how we're doing and they're our commitment to our regulators, so we'll be held accountable in that way, so we have to explain if we're not achieving the targets that we set. And then myself and our team, we're all incentivised to get this right as well although there's a lot more drives us than that, we really care about this and we want to get this right so we will, we have a good track record of hitting all the targets that we set for ourselves and we're already ahead of it. So I hope you take some reassurance from that, that our plan is not only to just deliver but to try to outperform this.

**CCW Chair:** Great, thank you for that response, we're now going to pause you and Richard and we're going to move back to customers and hear what they've got to say on what they've heard. Clare, back to you to handle that.

**TMcK Facilitator:** Thank you very much. This section, as before, we'd love to focus on your reaction to what you've heard, not inviting new questions at this stage but just lots of information provided there by the team, so we want to understand what felt clear and

concrete, is there anything that was less clear, a bit uncertain? Is there anything missing there for you in terms of other commitments or any particular commitments you feel more passionately about, would be great to highlight. Maybe I'll come back to Community Member 6, as you asked the question.

**Community Member 6:** To me, it seemed a bit generalised. I don't know what other people's views are. I think it's interesting to hear that the achievements of Northumbrian Water are so high in comparison with other water companies, but I don't know, I just felt it was a very general response.

**TMcK Facilitator:** What's missing for you, what would you specifically like to see highlighted as a commitment?

**Community Member 6:** I got more information on that subject from the internet this afternoon in five minutes, than I did then. More information in terms of the number of spills, how many spills there had been last year, what the major contaminants were, just very briefly, there's loads of old mine workings in the hills around here, there's a lot of contamination from metals. How significant is that? I don't think there was enough information in the response.

**TMcK Facilitator:** So as an action/commitment coming out of that, you're looking for something more specific around the types of spills?

**Community Member 6:** Yes, I think it comes back to what was said on the previous subject, you know, people want to drill down and they want to be able to get access to information that tells them what they want to know and yes, it was there last year, where is it projected to be this year? That was my view.

**TMcK Facilitator:** So more historical information?

**Community Member 6:** Comparative with previous years and I know that Heidi was saying they'd been set targets in terms of what the Government wants them to achieve at certain times, but I think more information, more specific information.

**TMcK Facilitator:** Does anybody want to add to that or bring up another point?

**Community Member 3:** Again, I was impressed with Heidi's presentation, albeit it was so positive, it was almost too good to be true and I'm just concerned that if all of this money and you're talking billions is being spent, how does that sit with your investors in so far as presumably, it's coming out of the profits so are they comfortable with all this expenditure?

**TMcK Facilitator:** So you want to have a clear understanding of where that investment has been made?

**Community Member 3:** Yes, it was very generic or general, nonetheless impressive. But to me it was almost too good to be true, surely the people they're expecting decent returns on their dividends, are going to be concerned maybe? Can Heidi elaborate on that?

**CCW Chair:** We'll come back to the company in a minute, when we've finished with the customers' views.

**TMcK Facilitator:** Does anybody want to add to what Community Member 3 said or bring up another point on this?

**Community Member 7:** I'm intrigued by the fact that we're being told there's all of this happening and you know, what's been said is impressive but it's very, very late and I'm also mindful of the fact that Ofwat have looked at the fact that when there's increased

enforcement, increased monitoring, a lot seems to come out of the water companies in terms of things that haven't been quite right, but haven't previously been detected. So I think absolute clarity to build confidence for us is really important in relation to pollution. And also when you're talking about serious pollution, I don't know how that's defined but I worry that there is slightly not so serious pollution that's maybe under the radar and actually is very significant environmentally, so a bit more definition of terms for the public perhaps and a bit more clarity, I'm sure that there's a welcoming of the increased enforcement that's going to happen because that will help us all.

**CCW Chair:** We did have a look at the storm overflow map and we looked at the River South Tyne area and it says that there were several outfall pipes spilled at the end of March 2026, so I don't know whether that was regarded as a serious pollution spill or not, it will be interesting to know but we will come back to that. Back to you, Clare.

**TMcK Facilitator:** Yes, and saw that somebody else wanted to jump in, I think it was Community Member 9.

**Community Member 9:** There's obviously quite a bit of negative feedback come back there but I thought what Heidi said was really positive, I wouldn't have known personally that all the money was being spent in terms of the environment up here, so I think what she said was actually really positive, I didn't think it was too generalised.

**TMcK Facilitator:** So a lot of information there that you've not heard before so maybe to the same point, can we turn that into an action or a commitment from them?

**Community Member 9:** Obviously, I hadn't heard of it before so maybe that's where it's lacking, is the fact that I haven't heard it, so I'd go back to Question 1 and better communication, I suppose.

**TMcK Facilitator:** Has anybody else got anything they would like to address on this one?

**Community Member 1:** It was just in relation to where Richard mentioned about the plan as regards to storm overflows, I didn't realise there was 1,500 but the fact that there's a system in place to do so many over a particular period, again that's something mentioned earlier, about the idea of the newsletter could actually highlight that fact and show where they are on that target, and also it would be quite, Heidi was mentioning about the transparency, the idea of "This is what our target was and this is where we've got to with storm overflows", you could put that within the newsletter possibly.

**TMcK Facilitator:** There was a lot of information Heidi provided there, was there anything else specifically that you would want to see highlighted, maybe that Heidi talked through, in terms of we were talking about communication, is there anything specifically you would like to have communicated?

**Community Member 10:** Things like this, all of it.

**TMcK Facilitator:** So all relevant and all addressing the questions that we talked through. We mentioned in our discussion around the local actions and prioritising areas where there's been repeated pollution in harming rivers, is there anything else on that one that you would like to see an action or commitment made on?

**Community Member 7:** It does absolutely strike at the heart of concerns about confidence in the water company, if there are repeat problems in one area and prioritising that and telling us how that's going to be done would be really important. I'm not sure how fully we've covered the accountability aspect, I'd just mention that.

**TMcK Facilitator:** What are you thinking? What would you like to see?

**Community Member 7:** Firstly, they have their own very clear targets and that they hold themselves internally accountable and publish how they're going to do that, and how frequently they'll tell us about their delivery or not to targets and so on.

**TMcK Facilitator:** Okay, great, if there's not anyone else wanting to jump in at this stage, I think I'll hand back over to Rob.

**CCW Chair:** Are we going to look at the actions before we do that?

**TMcK Facilitator:** Yes, I'll share these just now, they're being typed up as we go. Where we are up to at the moment, there's been five actions that are being developed as we chatted through here, so the first one is about the point around information being too general, so looking for specific information on the types of spills and size of spills needed, and access to information comparative to previous years.

Number 2 is around transparency on company investment and spending, so the point we've touched on, communicating this clearly and then Number 3, around clarity on company pollution, define what serious pollution means in layman's terms, so consider lowering the bar for serious pollution criteria. Is there data on smaller spills that aren't publicised? And clarification of the terminology used in this world, clarification of sewage terminology. Number 4, provide information about storm overflows and stretching targets in a newsletter, in easy-to-understand language.

**CCW Chair:** It would be helpful to know where that information is currently and is it reaching any customers at the moment, about storm overflows? I know there's an online tracker but is that reaching people in the way that it's intended?

**TMcK Facilitator:** I just wanted to come back here on these and have a moment to think about those, and for each action, just to think about are those clear? Are they specific enough in terms of the time element in them? And if it would feel meaningful from a customer's perspective like yourselves. So if something feels a bit vague in there or we want to add a timeframe, or it doesn't go far enough, this is the time to shout out. Number 1, are we happy that the point has been made here about the information being too general, that we want that specific information on each of those elements?

**Community Member 6:** I think that's important.

**TMcK Facilitator:** Is there anything missing there for you in terms of specifics?

**Community Member 6:** I was going to add one other thing in but as I reading through them, it's covered in Point 3, clarity on what is serious pollution? That was the only other thing I was going to add in but it's already there, it came up in that point.

**TMcK Facilitator:** Is there anything else missing for everybody on any of those points or that one specifically?

**Community Member 6:** I will make one point, I'll come back to what I was saying earlier about I found more information on the internet, on that website that I came across – and it was there and it was easy to find, I didn't even know that Northumbrian Water had, for want of a better word, a reporting page where they report these things. That certainly never came up on my internet search.

**TMcK Facilitator:** So as it's been typed here, clearer signposting onto that page?

**Community Member 6:** Yes, it comes back generally to marketing, the quality of the marketing in terms of getting the information out there to the public.

**TMcK Facilitator:** How would you like to see it? Is there an action that we can develop from that, or commitment on that one? Not to put you on the spot, if anyone else wants to chip in at that point? Where would you like to find this information? Is it enough for it to sit on the website? Do you want to put an action in about communication?

**Community Member 6:** I think it comes back to the general communication thing, people like to know when things are going right but they also like to know when things are going wrong. I learned this in marketing when I ran my business and you don't want to have to delve through pages and pages, link after link, to get to where you want to be. There was an old adage that if your website doesn't attract somebody's attention within – and this will have changed now – but within the first 20 seconds of you reading it, people give up and they go somewhere else.

**TMcK Facilitator:** So very clear signposting?

**Community Member 6:** Yes, signposting.

**TMcK Facilitator:** Something that's rotated?

**Community Member 6:** Yes.

**TMcK Facilitator:** A theme of a month or something? I don't know if there's something in that one.

**Community Member 6:** Yes.

**CCW Chair:** I'm just conscious of time, I think we should probably move now back to Northumbrian and Heidi and Richard, just to look at those actions, to see if there's any reason why any of those would be difficult to fulfil or agree with? Community Member 7 has her hand up.

**Community Member 7:** Just really quickly because I think it's important, we're worried about pollution because of nature and the environment but we're also worried about things getting back into the water supply, and what we're drinking. It's very difficult to get detailed information about the test results which we're told there are a huge amount of, on the water, saying "On the test we did yesterday, all these things were found." I think there are lots of things that are tested for but there's lots of things that aren't tested for, those that are tested for, we don't get a lot of information about. We could do with a lot more and I think people would be increasingly concerned to receive more information, so a commitment to greater transparency on any things that might be deemed contaminants, or positive things like mineral content, magnesium and so on, to publish those things more transparently including all the test results would be very helpful.

**CCW Chair:** Okay, we can add that. Shall we move back to Heidi and Richard? If you've got any comments on any of the actions and whether they would be difficult to fulfil or agreeable, whatever you want to feedback really.

**Heidi Mottram:** Thanks for all your feedback. I think there's a general point comes back up about communication and rather than get into the details of that, I think the best thing for us to do is just carry on that conversation. When we're setting up our website, we talk to customers about what they want to see and where, it's all driven by them so the way it's currently structured is off the back of customer research, so if we need to build on that, we

can carry on doing that and we've no bother with doing any of this because transparency is our objective, every bit as much as the community here is, so we can get into that.

I'm really sorry, Community Member 6, I thought I was being really specific on numbers, so our target for 2025 was to get down to 19.6 average spills, we got to 17.8, our target for this year is 18.3, target by the end of the five years is 14.3. These targets are significantly more ambitious, we set ourselves those targets, significantly more ambitious than the Government's targets that they set in their change of law.

So we will hold ourselves accountable, Community Member 7, by publishing this information every year, we do that already and back to the point about where you can find it, how can you find it, let's carry that conversation on but it's out there. We have to actually produce a pollution incident reduction plan every year, we've just published the latest version of that, which has got a lot of information in, which I'm sure Community Member 6 would find interesting.

On your point about serious pollutions or the categorisation of pollutions, need to make it really clear that we do not categorise pollutions, the Environment Agency do so it's their definition and when we report a pollution, which we do, somewhere in the region of 90-95% of pollutions we report, the Environment Agency decide what category they are, not us and again, I'm happy to provide those categorisations to the community but serious pollutions are categorised as Category 1 and 2, which are the ones that I said we haven't had for quite a number of years. If you're a Category 3, it's minor impact.

Another point of clarity probably also for Community Member 6 is that mine water, we are not responsible for, so discharges that are coming out of a mine, the Coal Authority would be responsible for and obviously, we're aware of quite a lot of mine workings in the North East. And likewise, what's in a river, we are not completely responsible for, there's lots of other things going into river like agricultural pollution and road-related pollution and industry pollutions, that we're not responsible for. We're a part of that, so we monitor the bit that we're a part of and we try really hard though Community Member 7, it's not like we just go "That's nothing to do with us", we work with all other partners to try to minimise all pollutions into rivers by working in partnership. That's what we do. Anything you want to add, Richard?

**Richard Warneford:** Just a couple of builds, one is we are installing, as part of our investment programme, continuous water quality monitors, which will monitor river water quality but not just what we put into the rivers but generally, so trying to look at that broad approach, even though it's not our responsibility, those monitors will be put in place. We're doing a lot of those in this five-year period and then they will continue again next five-year period.

And then on the specific point about spills and pollutions and terminology, we'll do a bit more, there's quite a lot in the pollution incident reduction plan that Heidi mentioned, so I would encourage people to look at that, it's a meaty document with a lot of specific actions on it.

But on things like the South Tyne spills that you picked up on, Rob, they would be compliant spills, so that is a storm overflow doing what it's intended to do, so they're meant to spill in heavy rainfall to protect customers from flooding. That doesn't mean, remember, that we're not going to focus upon them, so in spite of that, we want to get them all down to an average of less than 10 spills, so that's what the £1bn programme is going on, so I just want to try and clarify that one. They're not pollution events, they are actually spills working as a storm overflow would be intended to work but we're still going to drive those spills down with the investment programme.

**CCW Chair:** Thank you, that's very clear but it's not me that it has to be clear to, it's customers, so you've heard those explanations, does that feel reasonable? Does it feel proportionate? Does it feel like the company have heard you and heard the things that you're asking for?

**Community Member 6:** Yes, I think so.

**CCW Chair:** Anyone else?

**TMcK Facilitator:** Lots of nods! I'm seeing lots of nods.

**Community Member 1:** I think it's a case of now we're finding out what the plans are in relation to the storm overflows and the quality monitors and things like that, going over and above and getting ahead of legislation, I think is a very good sign, rather than it just being a case of, "We've got to do that." In my opinion, it feels as though yeah, half the thing is identifying there's a problem, accepting there's a problem and then dealing with it, it's when people start talking around and not addressing it and try and paper over the cracks rather than saying, "We've got an issue and this is what we're going to try and do."

**CCW Chair:** Thank you all for that. Time is moving on so for the record, I think subject to ongoing communication discussions that Heidi mentioned, we've agreed those actions on this question and we can move onto the next question.

**TMcK Facilitator:** Thank you so much to Richard for joining the discussion and we're inviting Andrew, who hopefully should be joining us just now. Thanks Richard and hi, Andrew.

**CCW Chair:** Andrew, thanks for joining us, we're going to get to Community Member 1's question.

**TMcK Facilitator:** I'll share that just now. You should be able to see that now.

**Community Member 1:** Dividends, executive pay and bonuses are a real concern for customers at a time when bills are rising, and there are still clear questions about whether enough is being invested in the service. Recent decisions not to pay a dividend may show that these choices can change but customers still want to understand the wider standards behind them, both how these decisions are made now and how they will be approached in the future.

How can you justify dividends, executive pay and bonuses when customers are paying more but still have concerns about under-investment, and what standards need to be met before those decisions are justified?

**CCW Chair:** Thank you, Community Member 1, I hope that everyone's clear on the question and heard that fully but again, I'll just remind Heidi that it would be helpful if you focus specifically on answering the question that's been asked. I know this can be quite a controversial subject and if you're happy with that, we'll let you get on with answering it.

**Heidi Mottram:** Thank you for your question, Community Member 1. This is an area where it can get a little bit technical in the way that regulation works but I'll try and keep it really high level. When we put a plan into the regulator, which we do every five years, we explain what we think we need to spend the money on to run the company on a day-to-day basis, and also what we think we need to invest in, in order to keep services at the standards that we've talked about all the way through this session. And all of that plan is put to the regulator and the regulator approves or doesn't approve it, and embedded in that plan, the regulator says that for this amount of investment and work and risk, "We the regulator think an appropriate return for the investor would be X," and that's how that works. And

then they watch whether or not whether the appropriate return is the return that ultimately is earned, and they also watch whether or not we spend what we agreed to spend all the way through.

What I can reassure all of you is that we spend what we said we were going to spend and ever since privatisation, I think in fact we've spent slightly more than we were supposed to spend, certainly in the last five years, we spent more than the plan was originally to spend, as did every other water company.

So there's a lot of oversight happens from the regulator, we are in pretty much daily touch with them, regulator meetings with them demonstrating what we spend, where it's gone, what we're doing with it and what our dividend is. And to come to the dividend policy part, when we report the dividend, it has to be in line with that regulation and to your point, Community Member 1, in writing down why we're paying what we're paying, we have committed and we have a dividend policy it's called, and we have to follow that policy which explains and justifies why we are paying what we are paying and why it's in line with what was, if you like, agreed in the business plan, so that's how we do that.

Likewise with executive pay and bonuses, we explain in advance the targets that we're setting for our executives and what it's going to deliver, so these sit in a thing called the Annual Performance Report, we have to justify that those targets are stretching, which they are, so they're all either the best in the industry or upper quartile and then we have to show whether or not we met those targets.

I think our target setting is probably the clearest in the industry, if you went and had a look at it, you can see exactly what the targets are, where they came from and whether or not we met them. So this is how we're justifying dividends, through what we've invested, how we've performed for our customers, whether we've done that and therefore whether or not it's appropriate to pay out dividend, and the same for executive pay and bonuses. Obviously, customers are paying more but I think in answer to one of the previous questions, I also explained that our investors are also paying more, so there is an element of both going on.

That's probably the highest level I could give you but Andrew, do you want to come in? Because Andrew is our regulation expert in how all of this works.

**Andrew Beaver:** Hello, so I don't have masses to add. I think the first point I'd make is that the simple answer to this is, "We're paying the bill so we're paying for all the investment" and of course that's true over the life of the investment, but in every year of the next five years, for every £1 we collect from customers in their bills, we will have to spend somewhere between £1.20 or more than that because what you have to do is you have to frontload all of that investment, and so you have to either borrow the money or get the money from the equity shareholders in order to be able to fund the programmes that we've been spending time talking about. And so that return is really quite important because if people don't feel like they're going to get a return, they won't give you the money and I'm sure, like me, many on the call have got a mortgage and it works just the same as that, you have to pay your monthly interest on the mortgage. So that's what we're doing.

We have a clear dividend policy which you can read and that basically requires us to pay a dividend in line with the performance that we're delivering to customers, and to consider things like the financial resilience of the business, that led in the year that we're just about to publish the results for, to a dividend of about £44.3m and that sounds like a big number because it is a big number, but in relation to the about £2bn that the investors have invested in the business, it's a return of about 2% or less than 2%, and that would be a lot less than the average you would see across companies and obviously, a lot less than many of us would be paying on our mortgages which these days are more like 5-6%.

**CCW Chair:** Are the targets you're setting with regard to dividends and bonuses, are they aligned with customer priorities? And if they are, how is that done?

**Andrew Beaver:** We obviously believe that they are, with regard to the dividend policy, we start with the basic allowed return that our regulator gives us in the determination, which is about 4% and then we add or subtract, depending on the performance that we're delivering for customers, so for example, if we get an allowance of the amount of money that we're able to spend, if we overspend that allowance, the dividend gets reduced. We have a range of service performance targets that we've talked about including storm overflows, customer service, leakage, supply interruptions, lots of those sorts of things and if we do better than the target, the number goes up and if we don't meet the target, the number goes down. So it's linked in that way.

And then similarly, on exec pay, as Heidi said, I appreciate we've been talking a lot today about how we make things more transparent and more accessible, all of this is explained in the annual report and you can go and look at that and it does exactly what Heidi says, it tries to show where targets are more stretching relative to our peers and what that looks like.

**Heidi Mottram:** Just to answer your question, Rob, specifically, the targets that are against the bonuses were derived from customer research.

**CCW Chair:** Customer research, and that is a company goes out and asks questions?

**Heidi Mottram:** We do this constantly and it typically doesn't move around a great deal, so in all the time I've been Chief-Executive, which is 15 years now, the Number 1 priority every single year would be that the water is clean and clear and tastes nice, and that it's there when you turn the tap on, that would always be their Number 1 priority. More recently, things to do with the environment and storm overflows have come up, we don't just have one priority, we have ten on that scorecard and they're all ones that customers continue to tell us are their most important ones.

**CCW Chair:** That's all clear, thank you very much for that response. We now pause and turn back to customers and get your feedback on those answers. Clare, over to you to lead this.

**TMcK Facilitator:** Great, thank you, Rob. Just as we've done with the last couple of questions, I'd love to hear your feedback and reaction to what you've heard, just to tell us what you feel was clear, whether there was anything uncertain or vague that you had, that you'd like some more clarity on, if there was anything specifically missing that you would like and ultimately, what commitments we would like to see addressed in this area.

**Community Member 8:** I'm very glad actually, that the company is working hard towards the goals and continuously achieving the targets and that they have a particular target and goals, and that they are working hard. But we can say hope for the best but because [inaudible] the big popular company, very transparent and everything is fine, sometimes errors happen but I'm very glad that they are working hard and they have goals and targets, and they are continuously achieving in all types of aspects.

**TMcK Facilitator:** Community Member 8, is there any commitments or anything specifically you would like to see committed to here, from what you've heard?

**Community Member 8:** I would like to say that every area is different, all areas have different issues and problems, so they have focused on the more problems, on the issues that they should send us like last time, when we were in a discussion, lots of customers were happy with the purity of the water, with the colour of the water, with the taste of the water but I was not, so they should make target the most-

**TMcK Facilitator:** Just specifically on this one, just around dividends, executive pay and accountability, anything specifically on this one?

**Community Member 8:** I am very motivated and my trust is developed, and I can say the hope for the best for the future for this company.

**TMcK Facilitator:** Anybody else want to jump in on this one? Anything that wasn't clear, any specific commitments or action points we would like to take forward on this? Community Member 1, were you happy with the response? You asked the question, is there anything you'd like to add here?

**Community Member 1:** One thing I didn't realise was that the regulator set the return and in relation to the system that's in place, so that's interesting.

**TMcK Facilitator:** Is that something you would like highlighted?

**Community Member 1:** Yes.

**TMcK Facilitator:** Is there anything in that we can make into some kind of action point for the team? Does this come down to communication again?

**Community Member 1:** Yeah, I think the sense that it is overseen and the idea of when it was mentioned by Andrew, about the explanation of the shareholders pay more as well as us, sometimes the optics can be that we're paying more and it's just us when in fact, the bigger picture is that there's more going on behind the scenes than we realise. So again, it's about communication, better communication of what framework they're working within perhaps.

**Community Member 7:** This whole issue has been one that's really increased mistrust, perceived under-performance or actual under-performance, however you look at it and payment of dividends and so on. So I think the non-payment of dividends might have been quite a surprise to some people and might actually have made people feel like there was a degree of responsibility and credibility coming out of that. The natural reaction of people who suddenly don't get dividends is to change the rules, their own rules, so they're complying with their own policies at the moment, is it possible to reassure us that there will not be a change in the policy and then we won't see things that previously would not have attracted dividends, suddenly attracting dividends and so on?

**Heidi Mottram:** I think probably the simplest answer to that is no, it won't change. That's why we publish it.

**TMcK Facilitator:** Community Member 7, you raised an interesting point there about the non-dividend payments, that actually highlighting the fact that it does change and there is movement there, so perhaps is that something you would like to see built into this one?

**Heidi Mottram:** One thing that people might not know is that the board has – and it's the biggest number on the board – of independent directors, not shareholders directors and so they are there to make sure that the company's acting, as well as obviously, it's not that the shareholders don't want to act in customers' interest, they do, but it makes a balance in the room, to make sure – so when we're thinking about dividends, there's a number of different voices talking about this to make sure that it's fair and transparent and open, to the points that have been made by everyone on this call.

**TMcK Facilitator:** Just to draw that out, is that reassuring? Does that build trust? Is that an interesting point that you would want to see as an action point, to add onto the communication point? Does that build trust?

**Community Member 7:** I remember there was a real problem with local authorities some time back, when all the CEOs and top execs were getting hammered over their pay and conditions and a huge amount of reputational risk was attached to that at the time, and I think when people see private companies coming in on a fundamental natural resource management, they then have the same concerns there, it is something that the water companies need to act on, so anything they can do to increase transparency, reassure people, demonstrate they're delivering for the people rather than for themselves, is really important, so anything that can be built into the actions on that front would be great.

**Community Member 1:** Just in relation to the independent directors, would some of those directors be drawn from the water industry? Or perhaps past executives from the water industry? Or would they be drawn from outside that industry, that would not necessarily have any friendship or ... I don't want to imply anything, I'm just thinking, you know?

**Heidi Mottram:** They're independent and not from the water industry.

**Community Member 1:** Thanks for that.

**TMcK Facilitator:** So you're just looking for some reassurance there on that point?

**Community Member 1:** Yes.

**Heidi Mottram:** They come from a whole range of backgrounds.

**TMcK Facilitator:** Any other points or points of clarification? Anything that you feel is missing or any other further commitments that you would like to see made in this area?

**CCW Chair:** Do you feel the company's transparent enough on all those things to do with dividends, executive pay and bonuses? Are you happy with the level of transparency that you're getting at the moment? Or do you not know?

**Community Member 1:** I think in relation to, if we go back to the newsletter idea, of being transparent, is saying "This is what we've been paid" or you know, "We've met our targets" or "We've not met them and it's reduced our pay by X." Sometimes, drilling down into the accounts – and obviously it has to be a detailed report covering lots of different factors, the performance indicators, all different things but perhaps something that breaks it down, makes it a bit more accessible.

**CCW Chair:** Are you talking about some sort of action that would communicate specifically on pay, bonuses and dividends every year, so that you clearly understand what's being paid out and why and what the targets were, just so that everyone is informed?

**Community Member 1:** Yes, sort of a guide as it were, quite simplified.

**Heidi Mottram:** Remember that pie chart, remember I talked about that at the beginning, the pie chart shows you that. But listen, we'll take all this on board and work at it with you.

**TMcK Facilitator:** Community Member 6, you had your hand up there?

**Community Member 6:** Just again, it comes back to the communication, I know that all of this information, if you go onto Companies House, is there, we can all see it and what have you. A lot of people don't know how to read company accounts, they don't understand them, or they misinterpret them. But it comes back to black and white communication, people seem to be picking up on the idea of newsletter or an e-document, something like that, maybe that's something that should just go in there, "Targets were X, achievements were Y, it's positive/negative and therefore this is what the outcome of salaries, dividends and returns are."

**TMcK Facilitator:** So more of a really accessible summarised version with very clear benchmarks, milestones when they've been hit and clear commitments, so they're publishing the standards and how they've been met?

**Community Member 6:** Yes.

**TMcK Facilitator:** Has anybody else got any thoughts on that or anything else to add on this one?

**Community Member 6:** No.

**TMcK Facilitator:** I'm happy to share where we're up to on developing some of these commitments on this one. The first one is around improved communication regarding investor payments into the network, so showing it's not just customers who are paying. Clear communication changes in non-dividend payments, reassurance of how independent board members are selected, improved communication on investment levels by investors and the returns they receive through dividends, so informing customers of regulator's role in setting those dividend levels.

Number 5, increase reassurance and transparency that they are delivering for customers and not just shareholders, so the transparency point we talked a lot about. A breakdown and create a [simplified] dividend payment report, we talked about the dividend policy, perhaps just breaking that down and creating that, which clearly lays out spending, whether that's through visuals like pie charts or using everyday language, non-jargon language.

Number 7, create an accessible document which clearly outlines payment standards, targets etc., so there's some overlap but we'll develop that with Point 6. But that accessibility point is important for most people. How do we feel that list that's been generated as we chat? Does that cover everything that we talked about? Do you feel there's anything not clear? Missing?

**Community Member 7:** It's comparative data as well, we want to see if the water company three years ago was paying a tiny dividend and was investing hugely, and vice versa now, that sort of thing, so we can judge for ourselves what the balance is, that's really important.

**TMcK Facilitator:** Anything else before we hand back to Rob?

**CCW Chair:** Time is moving on, do you want to come back on any of that, Heidi? Are these actions all reasonable? Are they ones that you can get behind?

**Heidi Mottram:** I think they all largely fall into the category of communication don't they? So this information is available and I take Community Member 6's point about where people go to things and how they might get them, so I think the key to all of this is thinking about how to make those a bit more accessible. I'll be honest with you, I don't actually understand what No. 2 was, so if you could clarify for me what that meant?

**TMcK Facilitator:** The non-dividend payments, I think just highlighting when payments aren't made for any particular reason, so it was the good news and the bad news.

**Heidi Mottram:** When we don't pay a dividend, okay, I understand that now, I didn't understand that before.

**CCW Chair:** Thank you, subject to ongoing discussion about communications, can I take it that we've agreed those actions? In that case, I think we have, that particular question is now closed. Is there anything else from you, Clare, that you want to ...? No.

**TMcK Facilitator:** No, just to say thank you very much to everyone for joining.

**CCW Chair:** Heidi and Andrew, is there anything you want to say finally on any part of this evening?

**Heidi Mottram:** No, I guess I'd just say thank you, it's been a really interesting conversation, there's been some interesting challenges but also some very supportive and positive conversation as well, which is nice to hear and maybe we need to be more positive about some of the things that we say, but equally we need to be more transparent and think about how we get this communication. So that's probably going to be a bit of an ongoing conversation to get that right because with four and a half million customers, trying to communicate to them in a way that is meaningful to them is quite a challenge but tonight's conversation was added value and helpful in that. Thank you, it's been a good experience, I hope it has been for you, we're definitely committed to answering all your questions, I have no bother with that.

**CCW Chair:** Thank you. We've covered a number of important themes, so I think we've got a good sense of [inaudible] in response to the issues that have been raised by customers, which is excellent. Now just to get through a few things, today's actions have been captured live during the session and they're going from the basis of the company's formal response. In terms of the next steps, a full transcript of this session is going to be published on the CCW website and that happens within five working days.

Obviously, subject to the thing that Clare said at the front, if people want names and things or anything they've said excluded, we will certainly do that, so there will be an early draft shared with participants so you can review it and raise any concerns relating to any personal comments you've made.

A plain English summary will be published within 10 working days, Northumbrian Water and Essex & Suffolk Water is required to publish its action plan within 28 [working] days, setting out how it will deliver the commitments agreed tonight. Customers will then be asked whether action plan accurately reflects what was agreed, CCW will monitor progress and report public on the delivery.

This process is designed to ensure transparency and follow-through, not just discussion and really, a lot of the things that we've discussed tonight about communication all come back to trust, so I think if we can get the communication right, trust will certainly improve more rapidly.

And finally from me, I just want to say thank you to all of you for your time, the thought that you've put into this and honesty you've brought to this session, your input is what gives the process credibility and gives it real purpose. So thank you all for your engagement tonight and thank you to the company and all the people participating, thank you very much.

[CLOSE]

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