

Notes of Meeting No 3 of the South East Water Customer Panel held on 2nd November 2015, at South East Water, Rocfort Road, Snodland.

Present:

Roger Darlington (RD) (Chair)
 Karen Gibbs (KG) (CCW)
 Penny Shepherd (PS) (CCW)
 Janet Hill (JH) (Swale Borough Council)
 Richard Lavender (RL) (Kent Invicta Chamber of Commerce)
 Veronica McGannon (VM) (Household Customer)
 Adrienne Margolis (AM) (Household Customer)
 Ben Roome (BR) (Household Customer)
 Caroline Farquhar (CF) (Household Customer)
 David Howarth (DH2) (Environment Agency)
 Simon Benton (SB1) (DWI)

Apologies:

Darren Hall (DH1) (West Kent Housing Association)
 Angela Dacombe (AD) (Age UK)

Notetaker:

Amy White (AW) (SEW)

Steve George (SG) (SEW)
 Simon Mullan (SM) (SEW)
 Sheila Bowdery (SB2) (SEW)
 Oliver Martin (OM) (SEW)
 Neil Hudson (NH) (SEW) (part.)
 Jo Osborn (JO) (SEW) (part.)

Agenda Item no.	Notes and Actions	Action	Timescale
1. Introductions, Minutes and Matters Arising	<p>The Chair opened the meeting and introduced Panel members to two guests: David Howarth (DH2) of the Environment Agency (formerly a member of SEW's Customer Challenge Group) and; Simon Benton (SB1) of the Drinking Water Inspectorate.</p> <p>RD reviewed actions from the previous meeting:</p> <p>2/2. Panel member biographies had now been completed and added to the Customer Panel webpage, except for DH1. RD would discuss with DH1. RD also invited DH2 to submit a biography.</p> <p>2/3. Bewl Water visits. SG provided the group with 3 possible dates in January 2016 for the Panel members' visit. RD asked Panel members to record their preferred date, and for the company to confirm the preferred date.</p> <p>Action: AW to confirm date of visit. [Now agreed for 15 January 2016]</p> <p>2/7. OM advised that he would be covering Ofwat consultations later in the meeting.</p>	3/1 AW	Following this meeting
2. Chair's Report, inc. Customer Panel Work Plan	<p>RD provided a verbal report.</p> <p>1) All companies are now committed to follow-up customer bodies, but not all appointments have been made and many have different names.</p>		

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	<p>2) Ofwat had convened a workshop of the current chairs which was attended by the Chief Executive Cathryn Ross and this event concentrated on customer engagement.</p> <p>3) All the Chairs themselves had had the first of a regular series of quarterly meetings to improve mutual support, so the previous divide between CCWater Chairs and non-CCWater chairs had gone.</p> <p>RD reported that at the Ofwat meeting he had attended, he was advised that the customer's bill is considered to be the least effective channel for communicating anything other than bill information.</p> <p>PS asked whether bill-inserts were considered more effective. OM advised that SEW's research as part of its last Bill re-design, indicated that the customer takes approximately 40 seconds to decide what they are going to do with the bill and there is a limited window to get their attention. It was considered that inserts were ineffective, and disregarded without being read in many cases.</p> <p>SM added that each customer is different, and that customers who are in debt may not open the envelope at all. SG explained that the company was exploring the possibility of a customer magazine that would be circulated separately from the bill to see if that has more impact.</p> <p>OM advised that he has a meeting scheduled with the individual who had presented the findings at RD's meeting.</p> <p>RD presented Paper 2 which was a proposed work plan for the next year and a half.</p> <p>RD explained that he had created indicative agendas for future Panel meetings through to February 2017, which included 'Deep Dive' sessions into individual aspects of the water business. He asked the group for feedback.</p> <p>PS felt that the subject of SIM and Complaints which had been originally scheduled for May 2016 would be better placed in November 2016 following the submission of the CCW annual report. This was agreed. It was further agreed that 'Leakage' would feature in May 2016's meeting and 'Interruptions' will now be discussed in August 2016.</p> <p>Action: RD to update work plan.</p> <p>PS asked if dates could be confirmed for the meetings in 2016 and 2017 as soon as possible as diaries are already beginning to become full. RD asked AW if she could use a tool called 'Doodle poll' to obtain panel members availability.</p> <p>Action: AW to circulate possible dates to Panel members, possibly using Doodle Poll.</p>	<p>3/2 RD</p> <p>3/3 AW</p>	<p>30 Nov</p> <p>30 Nov</p>

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<p>3. Performance update – Water Quality</p>	<p>RD welcomed SB1 to meeting.</p> <p>SB1 gave the Panel a brief outline of the role of the Drinking Water Inspectorate (DWI). He advised that they do not actually test water samples but rely on the Water Companies to do their own testing. However, the DWI does carry out audit checks on each Water Company.</p> <p>SB1 advised that each water company has a designated DWI representative, and that SB1 is responsible for South East Water, and also Bournemouth Water. He explained that the DWI covers only England and Wales. Scotland and Northern Ireland have their own water quality regulators.</p> <p>SB1 explained that customers can complain directly to them but that usually this would be after they had raised their issue with the water company. The DWI is able to issue water companies with improvement notices if required.</p> <p>NH joined the meeting.</p> <p>NH provided the group with a presentation covering the company’s approach to water quality, including:</p> <ul style="list-style-type: none"> • Water Industry regulations • Water Quality Department objectives • DWI Water Quality performance for 2014 • Discolouration & Appearance • Taste & Odour <p>NH explained the company’s approach on water testing, advising that a specialist in-house team carries out all water sampling. Water samples are taken from customer-premises that are selected at random, and the samples are then tested at the company’s laboratory in Farnborough. NH advised that Customer Panel members are welcome to visit the laboratory.</p> <p>Action: AW to circulate electronic copy of presentation.</p> <p>RD asked SB1 if there was anything that SEW customers should be concerned about. SB1 advised that there were no problems.</p> <p>PS asked if there were any SEW sites that could potentially be a problem and require an emergency plan and SG advised that the company’s Barcombe site has an emergency plan.</p> <p>DH2 asked if the company had had any issues with Metaldehyde, a slug treatment that can get into raw water and is difficult to remove. NH advised the Panel that the company is working with farmers using this pesticide in order to protect water catchment areas through sensible usage.</p>	<p>3/4 AW</p>	<p>Following this meeting</p>

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	<p>DH2 also asked whether SEW would stop flushing activity during a drought, and NH confirmed that the company has triggers in place that would advise when to stop.</p>		
<p>4. Company Performance Update (Quarter 2) – ODIs and Customer Complaints</p>	<p>OM presented the paper.</p> <p>OM advised that customer satisfaction surveys had been carried out over the last 7 months, initially at a rate of 100 per month, with the number increasing recently in order to investigate possible seasonal trends.</p> <p>OM produced a graph that shows the Customer Satisfaction survey results. The panel asked that the graph be added to his quarterly report in A3 format, and include a rolling average figure.</p> <p>OM advised that the results had only reputational incentives this year, with financial penalties and incentives effective next year.</p> <p>Action: OM to update format of future reports to include graph and explanation of bar chart results. OM will also include the text of the survey questions in future papers.</p> <p>RD summarised the Company's performance to date. There was good performance on all the compliance ODIs – what one might call the hard data – except for interruptions where the Hailsham incident had caused problems. But, for six of the seven satisfaction measures available (what one might call soft data), achievement was below the agreed targets in the Final Determination, especially in the case of leakage.</p> <p>SM commented on Customer Complaints and SIM performance. SM confirmed that complaint numbers continued to drop, and were forecast to be another 30% below last year's numbers.</p> <p>SM also confirmed that the company had achieved the second highest industry results for the most recent SIM satisfaction survey.</p> <p>SM advised the Panel that the company's Credit Control and Debt teams had won Water Team of the Year at the recent CreditToday Utilities and Telecoms awards.</p> <p>The Panel congratulated SM on the positive results and the team's success.</p>	<p>3/5 OM</p>	<p>Next meeting</p>
<p>5. Social tariff</p>	<p>SM presented the paper which showed take-up currently 45% above target.</p>		

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Update	<p>SM advised that there had been an increase in customers going on to the Special Assistance register, which may be related the Hailsham incident, and the company's approach to Customer Engagement.</p> <p>SB explained that the company is liaising closely with Housing Associations regarding its social tariff options. The company is seeking to ensure that customers are on the correct tariff from day one, to reduce the risk of the customer getting into debt further down the line.</p> <p>AM asked if the increase in social tariff customers had any impact on lowering the debt figures. SM confirmed that it was helping our debt position.</p> <p>RL asked if we split the figures for the recovery for Domestic and Commercial customers and SM offered to provide this information to him.</p> <p>Action: SM to provide RL with commercial debt figures.</p>	3/6 SM	30 Nov
6. Market Opening Update	<p>OM provided a verbal update.</p> <p>OM advised that in October 2016 the market will be set up as a "shadow", ready for live implementation in April 2017. Market Operator Services Ltd (MOSL) are to build the central market system.</p> <p>OM confirmed that the company's plan is currently on track, and advised that DEFRA are monitoring the process and requesting formal assurance letters all companies.</p>		
7. PR19 Update	<p>OM provided a verbal update to the group with the schedule for PR19.</p> <p>OM highlighted some of the more significant points such as changes in the charging rules and the approach to resilience</p> <p>Action: RD asked that future PR19 updates be presented as brief papers.</p> <p>RD asked OM to circulate the 'Empowering Customers' section of the recent Severn Trent paper entitled. "Charting A Sustainable Course".</p> <p>RD asked for a copy of the article in "The Water Report" on the Severn Trent paper to be circulated.</p>	3/7 OM 3/8 OM 3/9 AW	Next meeting 30 Nov 30 Nov
8. Brand Update	<p>JO provided a presentation of the company's Brand Review and explained the need for changing the company's current</p>		

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	<p>image.</p> <p>The company has engaged an external agency, Luminous, to work with it on the review, and has held customer satisfaction surveys, customer focus groups and stakeholder workshops.</p> <p>JO shared a number of brand themes that had been developed.</p> <p>JO confirmed that the review would consider how any changes to the company's brand might interact with the branding of external contractors, such as Clancy Docwra.</p> <p>JO also assured the Panel that the needs of customers with limited English would also be considered.</p> <p>Action: JO to email Customer Panel members asking if they would like to be updated on brand developments.</p>	<p>3/10 JO</p>	<p>30 Nov</p>
<p>9. Private session and lunch</p>	<p>South East Water representatives left the meeting, and the Customer Panel held a private session.</p>		
<p>9. Meeting close</p>	<p>Date of next meeting is: Tuesday 2nd February 2016, to be held in the Osprey Auditorium, South East Water Head Office, Rocfort Road, Snodland, ME6 5AH.</p> <p>Provisional Agenda:</p> <ul style="list-style-type: none"> • Minutes and Action Points from previous meeting • Chair's Report • Company Performance In Quarter 3 of 2015/16 • Deep Dive: environmental issues including statutory obligations and pollution incidents (David Howarth of the EA will attend) • Update On Social Tariff • Update On Competition In Non-Household Sector • Update On Methodology For PR19: Ofwat initial proposals document • Private Session 		