

## Notes of Meeting No.7 of the South East Water Customer Panel held on 8<sup>th</sup> November 2016, at South East Water, Rocfort Road, Snodland.

### Present:

Roger Darlington (RD) (Chair)  
 Penny Shepherd (PS) (CCW)  
 Karen Gibbs (KG) (CCW)  
 Janet Hill (JH) (Swale Borough Council)  
 Veronica McGannon (VM) (Household Customer)  
 Adrienne Margolis (AM) (Household Customer)  
 Ben Roome (BR) (Household Customer)  
 Richard Lavender (RL) (Kent Invicta Chamber of Commerce)  
 Daniel Barrett (DB) (Age UK)

### Apologies:

Angela Dacombe (AD) (Age UK)  
 Caroline Farquhar (CF) (Household Customer)  
 David Howarth (DH) (Environment Agency)  
 Sheila Bowdery (SB) (SEW)

**Notetaker:** Nicola Blake (NB) (SEW)

Steve George (SG) (SEW)  
 Simon Mullan (SM) (SEW)  
 Oliver Martin (OM) (SEW)  
 Jo Osborn (JO) (SEW)  
 Alison Lee (AL) (SEW)

Agenda Item no.	Notes and Actions	Action	Timescale
1. Introductions	<p>The Chair opened the meeting by recording the apologies. Panel members introduced themselves to Daniel Barrett who attended the meeting in AD's absence.</p> <p>SG informed the panel that interviews for a new Chair were carried out last week. The interview panel comprised of SG, David Hinton, Paul Rich and Sir Tony Redmond. Following the interviews Zoe McLeod has been selected to be the new Chair of the Customer Challenge Group.</p> <p>A hand over process will now start and Zoe will chair the meeting in February.</p>		
2. Minutes and Matters Arising	<p>RD reviewed actions from the previous meeting, and highlighted that action 6/2 had been completed by the tabling of Information Note 8.</p> <p>The Panel had no further comments on the minutes and action points.</p>		
3. Challenge Log	<p>The Challenge log is saved on the customer panel document library web page.</p> <p>The group had no further comment on the challenge log.</p>		
2. Chair's Report	<p>The Chair provided a verbal report.</p> <p>A meeting with Milo Purcell from the DWI in which Milo explained that the DWI will not be able to attend CCGs on a standing panel member</p>		

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	<p>The Chair had also met with Emma Gilthorpe, Independent Non-Executive Director (INED) on the company's Board. EG is also Strategy Director for Heathrow Airport, and RD discussed the CCG model that is proposed to be used by Heathrow for its next price review.</p> <p>A Workshop on behavioural insights was held with Advizzo and was attended by 7 CCG Chairs. Ofwat held a workshop for CCG Chairs regarding outcomes, with a further workshop planned to take place on 22 November. The quarterly meeting of CCG Chairs was carried out with RD having a session on what has gone well and what could be better with the CCG.</p> <p>The Chair told the group about the Essential Services Access Network (ESAN) Conference which he had organised. A background paper and presentation was created by Zoe McLeod. The conference was attended by several CCG Chairs and water company leaders, including Oliver Martin. A full report of the event will be written up by Karma Loveday, editor of "The Water Report".</p> <p>SG informed the panel that the Canadian shareholders' CDPQ are considering selling their 50% share of the company. The Royal Bank of Canada are dealing with the process of obtaining all required information.</p> <p>The Chair suggested it may be a good idea if a new shareholder emerges then perhaps an invite can be extended to them to attend a meeting.</p>		
<p>5. Outcome Delivery Incentives and Company Performance; Q2</p>	<p>AL presented Paper 3.</p> <p>Customer satisfaction scores have seen an increase from Quarter two 2015-16 in all measures. RD summarised the position by noting that all outcomes measured by customer satisfaction surveys – except frequency of restrictions – were showing a score lower than the full year target, especially leakage, but higher than last year, again especially for leakage. Although the measures were tracking behind target, the Chair acknowledged that the improving trend was positive.</p> <p>The Annual Tracker survey was carried out during September and October, with results due to be sent to the company w/c 14<sup>th</sup> November. The panel will be updated on the final score in December. 140 people completed the survey online, the overall percentage for these results is 71% which is slightly higher than last year, 68%.</p> <p>PS suggested that when reporting performance in future the company needs to make clear what part of the business is</p>		

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	<p>being discussed, i.e. Wholesale, household retail or Non-Household Retail.</p>		
<p>6. Discover Water: Industry Performance</p>	<p>OM presented Paper 4.</p> <p>Water UK have created a steering group to oversee the creation of an online dashboard to hold industry level metrics and show company level performance against them. SEW is a member of the steering group.</p> <p>The portal is currently live for Industry-level performance and work is underway to collate and verify company-level performance information to go live on 25<sup>th</sup> November. SEW are working on a micro site which will be linked to the portal for anyone who wants to find out more information on the company performance. This micro site will be used to explain any noteworthy differences between the company and the rest of the industry, as this will not be provided through the Water UK portal.</p> <p>RD asked for an update on challenge #2 on the challenge log, namely would the company publish its quarterly scores online. OM advised the panel that the company will wait until the Water UK portal is fully live before developing its own dashboard to enable some continuity between the two.</p>		
<p>7. Deep Dive: Customer Interactions</p>	<p>SM presented paper 5.</p> <p>The Chair suggested the company compiles all the deep dive papers created for the group as part of the induction pack for the new chair. The company agreed to this and will include the documents in the pack.</p> <p>The panel were informed of the reduction in complaint number has continued into this reporting year. However despite the improvements seen to complaint numbers the SIM (Service Incentive Mechanism) surveys, which contribute 75% to the overall SIM score have not shown the same rate of improvement. The Panel were told that quarter 3 survey data had been requested, for surveys to be carried out. Results will be available in December.</p> <p>PS advised the Panel that since the last meeting she had asked the company if she could sit in on calls from household and non-household customers in the respective call centres and was very impressed. PS recommended the experience to the other panel members.</p> <p>AM asked how the company was handling the cyber security risk. SG advised the Panel of its Security Steering Group which covers a range of areas including cyber security, and</p>	<p>NB</p>	

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	<p>liaised with Government on the application of cyber-security standards.</p> <p><b>Challenge:</b> Use more digital forms of engagement such as webinars during PR19 and WRMP.</p>		
<p>8. Social Tariff Update</p>	<p>SM presented Paper 6.</p> <p>Customer take-up of the tariff continues to be higher than target, with registered customers currently at 6,763, against budgeted numbers of 4,750.</p>		
<p>9. Competition update – Household and Non-household</p>	<p>OM presented Paper 7.</p> <p>The paper confirmed that the company had applied for a Sewerage Retail Licence in and out of the company area, and that this application is now on Ofwat’s website for consultation before the licences can be granted.</p> <p>Shadow market operation commenced on 1<sup>st</sup> October, this means that companies are now interacting with the central market system although customers are not yet able to switch. The company’s systems are interacting well with the central market and data has been uploaded with minimal issues.</p> <p><b>Action 7/1:</b> JO to send link to Utility Week article on James Dubois, Managing Director of South East Water Choice.</p>	<p>JO</p>	
<p>10. PR19 Programme update</p>	<p>OM presented Paper 8.</p> <p>The company will run a joint programme including, Water Resource Management Plan (WRMP), Drought Plan and the Price Review (PR19). The overall programme will be managed by Andy Ball with Lee Dance and Oliver Martin Heading up WRMP, Drought plan and PR19 respectively.</p> <p>A workshop was recently held with the board to discuss early thoughts on strategy for PR19. A full programme is currently being drafted by the team.</p> <p>AM, JH and RL attended a CCWater event designed to inform CCG members on the price review process. The attendees thought it would be good to have a speaker from this event attend a meeting to go through what was discussed.</p> <p><b>Action 7/2:</b> Invite speaker to a future meeting.</p> <p>The panel would like to receive updates on the progress of the WRMP. RD suggested the company think about inviting the new chair to an Environmental Focus Group (EFG) meeting once she is in post.</p>		

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11. Private Session	<p>South East Water representatives left the meeting, and the Customer Panel held a private session.</p> <p>RD advised members further on the background and experience of his successor as Chair Zoe McLeod and explained that he would be having a series of meeting with her to ensure a smooth handover. He pointed out that the group would need new terms of reference and that the membership would need to be reviewed to reflect the changing role. Members individually expressed their thanks to RD for his chairing of the Customer Panel.</p>		
12. Meeting Close	<p>During the meeting Paul Butler, Managing Director, entered the meeting to thank RD on behalf of the company, for his hard work and dedication to the Customer Challenge Group and the Customer Panel over the past 5 years and wished him all the best in the future. SG closed the meeting by again thanking RD and presented him with gift of a pen.</p> <p><b>Date of next meeting is:</b> Tuesday 7<sup>th</sup> February 2017, to be held in the Osprey Auditorium, South East Water Head Office, Rocfort Road, Snodland, ME6 5AH.</p> <p><b>Provisional Agenda:</b></p> <ul style="list-style-type: none"> <li>• Minutes and Action Points from previous meeting</li> <li>• Chair's Report</li> <li>• Company Performance In Quarter 3 of 2016/17</li> <li>• Deep Dive:</li> <li>• Update on Social Tariff</li> <li>• Update on competition in Non-household and Household sectors</li> <li>• Update on programme for PR19</li> <li>• Private Session</li> </ul> <p><b>Information notes:</b> One information note was circulated to the group for review with the papers: IN8: Website views</p>		