

## Notes of the Meeting No 1 of the South East Water Customer Panel Meeting held on 11<sup>th</sup> May, 2015, at South East Water, Rocfort Road, Snodland

### Present:

Roger Darlington (RD) (Chair)  
 Karen Gibbs (KG) (CCW)  
 Penny Shepherd (PS) (CCW)  
 Caroline Farquhar (CF) (Citizens Advice in North & West Kent)  
 Janet Hill (JH) (Swale Borough Council)  
 Richard Lavender (RL) (Kent Invicta Chamber of Commerce)  
 Veronica McGannon (VM) (Household Customer)  
 Ben Roome (BR) (Household Customer)  
 Adrienne Margolis (AM) (Household Customer)

Steve George (SG) (SEW)  
 Simon Mullan (SM) (SEW)  
 Sheila Bowdery (SB) (SEW)  
 Oliver Martin (OM) (SEW)

### Apologies:

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

### Notetaker:

Amy White (AW) (SEW)

Agenda Item no.	Notes and Actions	Action	Timescale
1. Introductions	The Chair (RD) opened the meeting and welcomed members to first meeting of the South East Water (SEW) Customer Panel. Attendees gave brief introductions about themselves, their background and current roles.		
2. Terms of Reference	<p>RD introduced the Terms of Reference document,(Paper 1) and explained that it had been drafted and shared with the Customer Challenge Group (CCG).</p> <p>RD outlined the main differences between the CCG and the Customer Panel, and asked that links to the company's Business Plan documents be provided in the notes of the meeting.</p> <p>(The documents can be viewed via this <a href="#">link</a>.)</p> <p>Panel members confirmed that they had reviewed the Terms of Reference document, and no further comments were raised.</p>		
3. Chair's Report	<p>RD explained that previously, water companies had held Customer Challenge Groups (CCGs) and that this had been a mandatory regulatory requirement.</p> <p>Although this was no longer the case, all six of the South East regional companies have decided to continue the approach, and had formed their own individual customer groups, albeit under different names. He outlined the latest arrangements for the other companies in the region.</p> <p>RD confirmed his intention to meet with the Chairs of the other regional customer panel groups.</p>		

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	<p>The next meeting would be on 20 July 2015.</p> <p>RD mentioned PR14. OM further explained PR14 stood for Price Review for 2014 and is a process run by the economic regulator, Ofwat, to agree and set the revenue that companies can recover through customer charges for the forthcoming 5 years. PR14 has just been completed and the next Price Review will be PR19.</p> <p>OM also explained the concept of the wholesale/retail split and that from 2017, Non-Household customers will be able to 'switch' their water company. They will be able to choose which retail company they 'buy' from, much like the gas and electric markets now.</p> <p>South East Water will continue to be the regional wholesaler, producing and distributing water as now.</p> <p>OM confirmed that SEW serves a population of 2.1 million with approximately 900,000 billed customers, of which just 60,000 are non-household.</p> <p>JH asked if it was only water suppliers that are affected by the changes and SG confirmed that customers will also be able to choose their waste water service providers.</p> <p>PS asked how the introduction of the Thames Tideway Tunnel will affect this? SG confirmed that SEW raised Thames Water's wastewater charges on its bills and that, as Thames' charges will be increasing, so too will the bills that we issue. This may generate calls to our Contact Centre. CF asked if these calls would be separated out from our usual complaints and SG confirmed that complaints specifically regarding Thames Tideway Tunnel will be logged.</p> <p>RD confirmed that the first half of today's meeting was a general overview of the water industry and that the second half will be dedicated specifically to South East Water.</p>		
<p>4. Water Industry Overview</p>	<p>RD advised that he has created a 'Water Brief' and has distributed it to the group for reference. He explained that he has found in his experience that the Water Industry uses many acronyms and that their meanings can be found at the back of the water brief which may be helpful for non-water industry members of the group.</p>		
<p>5. Company Performance Report</p>	<p>SM commented on SEW's most recently submitted Consumer Council for Water (CCW) report for quarter 4 which shows the figures for the last financial year. He highlighted the significant improvement regarding complaints, which had decreased by 45% year on year and by 74% reduction over the peak of three years ago.</p>		

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	<p>SM clarified that to allow CCW to compare the performance of differing sized companies, complaints numbers are divided by the number of 'connected' properties. He explained that some water companies report on their 'connected' properties even if they are not billing the customer, whereas South East Water report on their total 'billed' properties. This is being changed for consistency in future reports.</p> <p>BR asked what the definition of an 'unwanted telephone call' was. SM explained that the definition is provided by the regulator, Ofwat, and is a call that the customer does not want to have to make, such as: loss of supply, poor pressure, understanding their bill etc. A call that a customer needs to make, such as when they are moving home, is considered to be a wanted call.</p> <p>SG explained that any second telephone call relating to the same subject as the first telephone call, then this is automatically logged as an unwanted contact.</p> <p>AM asked if there was any one particular change that has been implemented that has reduced customer complaints. SM said that a broad range of initiatives had been introduced such as the introduction of sending SMS messages to customers when the company can see that their payment has 'crossed' with a recently issued reminder notice, reassuring the customer that the payment has been received.</p> <p>KG explained to the Panel that the CCW report is submitted by all water companies on a quarterly basis and that this enables CCW to compare and contrast the companies and detect any problems or trends that may be occurring. The data provided is published on an annual basis.</p>		
<p>6. Outcome Delivery Incentive (regimes &amp; measuring process for 2015/20)</p>	<p>OM showed the group the Outcome Delivery Incentives (ODI) summary and used 'Leakage' as an example of how the system works.</p> <p>He advised that around 100 Customer Satisfaction Surveys were carried out per month by the research company Accent.</p> <p>They carry out telephone surveys with customers and ask them to rate their level of satisfaction with the service provided by the company.</p> <p>OM said that he would provide the group with a more in-depth overview of the surveys carried out and what questions were asked at future meetings.</p> <p>RD clarified the Customer Panel's remit under its Terms of Reference was not to challenge the ODI mechanism or targets, but to monitor how the company was performing against these commitments.</p>		

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	<p>AM asked how the Incentive works? OM will provide more detail.</p> <p><b>Action 1/1:</b> OM will include a short paragraph in the next paper that he produces to explain this in greater detail and to use examples and detail the timescales involved.</p> <p><b>Action 1/2:</b> OM is to provide a paper on the Customer Satisfaction Survey, how it is measured, the survey methodology and experience.</p>	<p>OM</p> <p>OM</p>	
<p>7. Current position on Social Tariffs</p>	<p>SM explained that the new Social Tariff means that the customer will have a 30-40% lower capped rate for the area that they live in.</p> <p>Applications are passed to a dedicated Customer Care Team for assistance, which is supported by a specialised Field Team that can make home visits to customers.</p> <p>Potentially 30,000 customers could be eligible for these tariffs. SM estimated approximately 250 customers a month to be accepted onto the Social Tariff, and have so far achieved this through working with other support agencies, and existing customer information. Broader promotion of the scheme may be adopted as the scheme is established.</p> <p>BR asked what the difference is between the 6 different 'help' tariffs that we offer – Helping Hands, Watersure, Water Direct, Single Room Tariff, Special Assistance Register and now Social Tariff. SM advised that there is a leaflet detailing each type of tariff and that this will be circulated along with the minutes to this meeting to all Customer Panel members.</p> <p><b>Action 1/3:</b> AW to circulate along with the meeting minutes.</p> <p>SM stated that our customers do not have to be in debt or in receipt of benefits to qualify for the Social Tariff, and that SEW are now able to approve customers for the tariffs on behalf of Thames and Southern. The customer doesn't have to duplicate the application process for each Water Company.</p> <p>SM also confirmed that the WaterSure application has now been simplified for the customer.</p> <p>RD asked that new Social tariff customer figures and bar charts be provided at future meetings</p> <p><b>Action 1/4:</b> SM is to provide social tariff figures and graphs at future meetings.</p>	<p>AW</p> <p>SM</p>	

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	<p>VM asked what made SEW feel that they needed a new social tariff. SG advised that the company had been able to support customers who were in debt with payment incentives, but due to legislation, was unable to offer tariffs that were dependent on cross subsidies. This had changed recently, and SEW was also becoming better attuned to our customers' differing needs.</p>		
<p>8. Dates &amp; Agenda items for next meetings</p>	<p><b>Action 1/5:</b> A draft version of the minutes will be circulated to the group.</p> <p><b>Action 1/6:</b> All members of the Panel are to create a paragraph of biographical details and this is to be sent to AW/BM and will then be put on to the SEW website.</p> <p><b>Action 1/7:</b> RD will meet all newcomers to the Customer Panel group on an individual basis.</p> <p><b>Action 1/8:</b> Panel members to advise if they would like an induction to the company's business, including possible visit to a SEW site.</p>	<p>AW</p> <p>ALL</p> <p>RD</p> <p>ALL</p>	
<p>9. Meeting close and lunch</p>	<p><b>Date of next meeting is:</b> Wednesday 5<sup>th</sup> August at 10:30am to be held in the Osprey Auditorium, South East Water Head Office, Rocfort Road, Snodland.</p> <p>Provisionally the agenda would consist of:</p> <ol style="list-style-type: none"> <li>1. Minutes and Action Points</li> <li>2. Chair's Report</li> <li>3. Satisfaction Survey</li> <li>4. Company Performance for Quarter 1 (2015/16)</li> <li>5. Social tariff</li> <li>6. Open Market</li> </ol>		