

South East Water CCG's Consumer Vulnerability Sub-Group Note of meeting 11 held on 26th June 2018

Present:

Zoe McLeod (Chair)
 Penny Shepherd (PS) (CCW)
 Janet Hill (JH) (Swale Borough Council)
 Adrienne Margolis (AM) (Household Customer)
 Steve George (SG) (SEW)
 Andy Clowes (AC) (SEW)
 Anne-Nöelle Le Gal (SEW Board member - Hastings)
 Veronica McGannon (VM) (Household Customer)
 Nicola Blake (NB) (SEW)
 Simon Mullan (SM) (SEW)
 Laura Rafferty (LR) (SEW)
 Emma Jones (EJ) (CAG Consultants)
 Anna Bullen (AB) (CAG Consultants)

Apologies:

Dave Hinton (DEH) (SEW)
 Oliver Martin (OM) (SEW)
 Jo Osbourne
 Caroline Farquhar (CF) (Citizens Advice)
 Paul Butler (PB) (SEW)
 Jane Gould (JG) (Create 51)
 Sheila Bowdery (SB) (SEW)

Notetaker: Julia Gorman (JFG) (SEW)

Agenda Item no.	Notes and Actions
1. Introductions and Declaration of interest	There were no specific conflicts declared beyond existing vulnerability interests.
2. Minutes from the last meeting, Challenge Log and Action Log	<p>The Sub-Group agreed the minutes from the previous meeting.</p> <p>ZM identified some questions with her review of the minutes. These will be picked up separately.</p> <p>Action: SEW to provide answers to ZM questions arising from last May's minutes.</p> <p>PS identified that Page 7 'conservation' should read 'conversation'.</p> <p>Action: JFG to update the minutes to read Conversation, not Conservation.</p> <p>AM provided feedback on the stakeholder workshop that she had attended. Particular issues arising was the lack of stakeholder time and funding to be able to fully partake in the consultation. AM suggested that a possible solution to this was to have combined industry research which would reduce the time needed for different organisations and would enable the research to be funded centrally. This is currently being employed in the Electricity Industry and is working well.</p> <p>PS reported that the stakeholder workshop she attended was positive. The format was good and allowed a balance of taking and listening from the moderators. The group was made up of a good mix of organisations who engaged well. The some of the group, around 2 or 3, did not identify funding constraints. The Freeze/Thaw incident was discussed and the general issue raised was the lack of visibility of the Company's actions. A lot of work carried out and support provided by staff or on behalf of the Company was not attributed to the Company due to lack of labelling and identification. JH suggested the staff and representatives could use tabards to identify they are working on behalf of the Company.</p>

	<p>ZM fed back that there was too much information provide at the workshop she attended. ZM thought that the examples given to the group were not appropriate for the audience generally, although some of the group were very engaged. ZM noted the need for the Company to set out the financial and time constraints on the possible options going forward. A lot of the workshop time was needed to bring the group up to speed with the Company's current performance and activities, so there was limited time left to engage on 'What to do next'.</p> <p>AM noted that there was good coverage of the different stakeholders at the workshop, although a lot were from housing organisation. SG commented that contact with the housing sector was very useful in terms of possible collaboration between organisations and sharing of vulnerability lists. It was noted that the Fire Brigade was especially engaged and made very good contributions. SG informed the group that plans had been made for a representative of the Fire Brigade to accompany one of the Customer Care team's agents to see how the Company interacts with its customers.</p>
<p>3. CAG viewpoint – vulnerable customers insight and recommendations</p>	<p>The group welcomed AB and EJ from CAG who provided an overview of their presentation and provided an overview of the Freeze/Thaw incident review.</p> <p>ZM asked about the number of agencies reached through their research. CAG noted there was good coverage of the agencies with the charity and community groups being the hardest to reach. EJ talked through the key findings and the recommendations for the Company and noted there were some minor adjustments needed following the last session of engagement with the Customer care team.</p> <p>PS asked if the agencies suggested solutions to some of the issues raised had been captured, for example the use of water monitors use in addition to water meters? AB replied that the suggestions had been included.</p> <p>PS asked specifically about customers concerns around higher bills when they are transferred onto a meter. CAG's research showed customers were concerned about knowing what they needed to budget, rather than just the potential increase in their bill. Customers wanted to have visibility of the cost of different activities, so they could limit their water activities to help them manage their budget. ZM asked whether there was larger percentage of vulnerable customers in the later stages of the Company's metering programme, the Company responded that the metering programme had not been rolled out this way. CAG noted that the concern was generally a temporary issue, which was resolved as the customers got used to their general level of metered bills. SG identified the need to address this and the need to make bills clearer. PS agreed this issue was largely short term for individuals and was a particular issue with the metering programme. However, there will always be customers moving into properties that have not previously been metered for their water bills. Although this number would be a lot smaller number then those affected by the metering programme, it was still needed addressing.</p> <p>ZM asked about the current bill frequency options. SG informed the Sub-Group that the meter reading was six monthly, but that billing could be as frequent as monthly, however this would be based on predicted bills. PS noted that customers can get into debt if the estimated use does not match the customers actual use. SG agreed this was a possible problem, but that smart meters would be needed for more regular reading and they were still a way off as a viable option.</p> <p>CAG fed back to the Sub-Group on the Customer Care Team workshop that was held the week before, AM expressed some concerned about the level of morale in Customer Care Team following the fed back. SG noted that this had been reviewed and the team gets lots of support and training. SG recognise they are very important to SEW. AM was very impressed</p>

	<p>with how passionate the customer care team were about supporting their customers, even in difficult working environments.</p> <p>PS noted that the broader research should not be restricted to people on PSR, as this will not necessarily pick up customers who are temporarily vulnerable. CAG agreed that flexibility was needed to cover vulnerable customers outside of the PSR. SG noted that transient vulnerability needs further review. The Company were looking to tackle this issue from the other side, by making its network more resilient, so there are less incidents affecting all customers (helping all vulnerable customer whether on the PRS or not). SG also identified that the Company was working with trusted agencies to identify additional vulnerable customers.</p> <p>AM would like time to review and feedback on the presentation. CAG will update the recommendations with the latest findings and then provide the update presentation for review.</p> <p>Action: CAG to provide a copy of the updated findings and recommendations to the CCG. Action: Update presentation to be circulated for the CCG to review and provide feedback.</p> <p>VM advised that when customers are in situations that make them vulnerable, that the last thing on their mind is letting water company know, so they can be put on the PSR. CAG noted that this is where setting up partnership with organisations can be a great help. These partnership organisations can be used to cascade to and feedback from other organisation.</p> <p>Action: CAG to write up the proposal for working together and set out what agencies can do for SEW and what SEW can do for them.</p> <p>ZM asked about the reference on page 8, and the effectiveness of face to face communication and which type of issue this refers to. CAG noted this was the case for when higher bills were identified and for complex customer issues. The Customer service team are well aware of this and do as many home visits as possible.</p>
<p>4. SEW wider vulnerability research and insight evidence base</p>	<p>AC talked through the triangulation slides and explained that there were around 450 insight lines. ZM asked what defined an issue to be classed as an insight line. AC advised that it was any piece of information from all sources relating to what SEW customers want or need, and anything that impacts on the SEW strategy. ZM asked for details of all the sources, so the CCG could discuss these.</p> <p>Action: AC to circulate the full list of Insight sources.</p> <p>Action: CCG to discuss and review the Insight sources.</p> <p>AC noted that the next stage, which LR is currently working on, is completing the categorisation of all the insights. The analysis will set out sources and what the outcomes are for each. These will then be allocated to sub categories and summarised to show how insights have been processed into recommendations. This will inform the Company's plans for what it will do and by when. The review is low level at this stage, but is producing some useful recommendations that the Company can adopt. Where these are quick fixes, the Company will be adopting them now as part of its continuous improvement policy, rather than waiting to include them as part of the Business Plan strategy.</p> <p>AC noted that there is currently high level reconciliation with about 80% of the recommendations being allocated as: immediate uptake. This feeds into the Company's PR19 strategy; or where not possible. The recommendations classed as not possible, will be reviewed to see if any related interventions are viable. The analysis also sets out what is not going to be adopted and why.</p>

	<p>PS questioned the categories used and suggested it would be appropriate to add an additional category for those issues that are turned down if they are not economic or have sufficient supported. PS suggested that the Company should not keep all the recommendations on the to-do list if it is not economic to do so. SG agreed this was a valid point, but wanted to keep all options active at this stage so they could be considered for their possible use in other areas or with other organisations. The Company did not want to write the options off too early. ZM agreed that there may be options that are not practical now, but may be viable in the future, so should be kept under review.</p> <p>AC advised that some options that scored low for robustness, could still have a high relevance so would be retained at this stage. SG added that for any option that is doable would be considered to see if it had a business case. For example Credit union Jam Jar loans, could provide help to identify through collaboration customers that may be vulnerable or temporally vulnerable with pay backs and loan costs.</p> <p>SM considered that work can be done to improve robustness, for example go out and get more feedback through consultation on particular issues.</p> <p>ZM believed that there was not much support for debt with water bills, as this is often low down the scale of other household debts. More support was needed from the agencies and so more work was required to get this on the agencies lists. AM advised that the fact that the water supply cannot be turned off, gave some people the wrong perception, as not being able to turn off the supply does not stop them being liable for the costs and that the bailiffs could still come knocking at the door if they don't keep up with their water bills. SG agreed this was an issue and will be looking to do more to improve customers and agencies understanding of this issue.</p> <p>SG mentioned that there is not generally support for options like pass porting to define the tariffs customers should be on, but wider applications from this may be acceptable to customers. For example following an issues that was resolved through contact with a Housing Association, to enable quicker contact regarding this customer on future issues.</p> <p>AC responded to ZM's question about taking information for the Accent work on vulnerable customers, that the 'So What' was still draft and is being worked on by LR and JE and the review will be aligned to this. The group were advised work will be updated with all feedback received and that, nothing at the moment was producing contradictions with what has been proposed. SG noted that this will be built into the strategy and that the focus of water efficiency with vulnerable households can achieve both required outcomes.</p> <p>ZM asked about research for customers with specific needs. She believed disabilities were currently under represented. AC noted that lots of information had come from the CAG work and that there was a need to cover a lot more, but that this is going to take a bit of time, but would certainly help to define AMP7 work.</p> <p>ZM asked for an update on the Company data mapping. AC noted that the data acquired could be built into a map, but would not be in a format useful to SEW. A better options was to buy data and overlay on SEW's system this can then be set up by regions, and would enable analysis by different areas. It would also be possible to combine with other factors. The separate map option would not be helpful for working with stakeholders, as it would not be able to map the specific area needed for incident management.</p>
<p>5. SEW – draft strategy – key elements (incl. key</p>	<p>SG talked through the slides that were circulate and the primary principle for 'All customers to be able to access all areas'. ZM challenged that the strategy was meant to be for the whole company and not just a customer service strategy. SG clarified that Customer Service was</p>

proposed actions)
discussion

central to all areas of the business and the strategy was for all areas. The '5 out of 5' aspiration is a corporate target and not just for the Customer Service department.

SG informed the group that BSI accreditation was ongoing and that the phase two audit was currently in progress.

It was noted that the general impact of budget constraints across a wide range of organisations would tend to lead to an increase in vulnerable customers, and not just related to those in social housing. SG informed the group that the main themes running through the strategy were: affordability; accessibility; and protection. ZM noted other water companies commitments to eradicated water poverty and asked if the Company would be prepared to have an aspirational target along these lines. SG responded that this would be covered later in the presentation.

Under the heading of affordability, it was noted that the current threshold is £16,000. AM asked what percentage of SEW customers fell into this bracket, SG advised the figure was around 9%. AC advised that the UK figure was generally higher than this and agreed to circulate this figure around the group.

Action: AC to circulate the UK figure for the percentage of customers under the £16,000 threshold.

PS expressed concern around the debate on getting customers out of water poverty and to what degree customers are supported through taxation and other systems. How much customers should be supported through the water bills and the future levels of state benefits. SG proposed the question of what is an appropriate target for water poverty. For example would it be acceptable for say, all vulnerable households had to be offered and accessing financial support. A test could be that all customers are paying their bills. However, you could not guarantee that all the vulnerable customers would pay their bill even if they could, so this is not a valid measure. ZM noted that the CCG would not have overarching support for targets that were not within the water companies' control. PS and ZM noted the WTP needs to be looked at in conjunction with the setting of target. SG agreed and will be looked at the financial support for all the options:

Action: SG to look at the WTP in conjunctions with the possible targets for affordability.

AC advised the group that the UK average percentage of customers below £16,000 threshold, was 17.3%. PS noted that it was potentially cheaper to achieve zero customers in water poverty in the more wealthy areas and that this has political issues.

AM asked if customers should be asked what they view would be on subsidies if they were in a vulnerable position. ZM noted that she had already pushed on this issue at one of the workshops she attended, but that it has very little impact on the customers view. ZM advised of the need to balance what customers want and the needs of the greater society.

The issue of the tariff titles having a negative impact on customer take up was raised and SG agreed to look at this. It was noted that the option of payment breaks had been used, but was not particularly advertised.

ZM asked what engagement was required from the group on this item. SG advised it was similar to CAG slides with feedback requested following circulation of the strategy.

Action: SG to circulate the draft SEW strategy.

Action: CCG to review and provide feedback by 06/07/18.

	<p>PS inquired about the possible impact on the strategy of the update to the CAG findings resulting from the Freeze/Thaw Incident. How has this update been incorporated into the strategy and what changes has this made? AC replied that the Business Plan is high level strategy, so was not necessarily impacted by small changes in the detailed reviews supporting it.</p> <p>AC responded to the question about how the Company’s progress compared to other companies, that some companies had already completed their strategy, the Company was focusing on the plan and then the strategy to give more time for the CCG to review and agree. The strategy will never be completely finalised, as it will be continuously updated. Consultations will be ongoing going forward.</p> <p>Action: Timing for strategy to be circulated around the group.</p> <p>Action: CCG to provide feedback on slides by the end of week.</p>
6. AOB	There was no other business.
7. Private Session	

Summary of Actions

Action	Owner