PR19 Customer Challenge Group

Meeting number: 9

Meeting Date: 2 May 2018

Paper No: 4

Agenda No: 6

Title: Engagement Strategy (final document)

Author: Oliver Martin

Printing: This document contains graphs and therefore may require you to print in colour. If you need a printout please let Nikki know.

What is this paper about:	Engagement Strategy (final document)
What is the context of this paper:	The CCG requested an overall engagement strategy that brings together PR19 engagement will all other aspects of engagement. The Research Sub-Group also discussed this and provided comments and feedback on an earlier draft; these have been incorporated/ taken into account for the final document. We have also taken the opportunity to re-structure the document so that the originating premise of our engagement strategy is clearer.
What is the relevance of this paper:	To provide clarity and confirmation of what has influenced our overall engagement strategy and the activities we have been/are undertaking.
Action needed from the CCG:	For information only.

Reminder: Review and feedback from Research Sub-Group

Below is a summary of the key points made on the draft Engagement Strategy:

- Add introduction section showing where we have come from, our journey so far, how it has shaped our engagement strategy, the benefit of our experience to date and why we have taken the customer centric approach we have
- Review text regarding ‘purpose of this document’ to include our role as a provider of essential service
- Revise wording of sections 2.1 and 2.3 to make this more authentic and inspiring – outlining the true value of engagement and why this is important to us
- Bullet point 2.1 suggested amendment of “our employees recommend us as a good place to work” to be “great place to work”
- Customer participation section – explain what co-creation and co-delivery mean to us, in our language
- Reduce the use of the terms co-creation and co-delivery
- Some terminology not clearly explained (e.g. legitimacy) – include a glossary to explain key terms
- In some sections give examples of what we mean – e.g. what we’ve done and what we think we might do
- Include more visual summaries for quick reference
- Stakeholder visual on page 13 – move CCG to ‘regulators and statutory consultees’ category
- Positive feedback that the engagement aims are good
- Good to show some customer numbers/data – we discussed including key data/stats in the Engagement Dashboard
- Members of the Sub-Group will be feeding back more detailed comments during January.

South East Water Engagement strategy

17 April 2018

Pure know h2ow

1. Introduction

1.1 Setting the scene

South East Water is the provider of an essential service, providing safe, high quality drinking water supplies and support services around the clock to 2.1 million customers.

Delivering this service is more than just about making sure our pipes, pumping stations and treatment works are in good order. Our product is vital to health and life itself; as a consequence so too are many of the support services we offer.

In providing this essential service, we recognise the privileges we have of being a regulated monopoly. Customers cannot choose their water supplier and so it is our responsibility to make sure our actions and behaviours, as well as our product and services, also make customers feel that we can be trusted to serve them.

Effective engagement is a key tool to establishing that trust with customers. From a position of trust, we can do so much more. We can learn about their changing water needs and understand the additional support or information they would like from us - particularly when things go wrong - so that we provide a five-out–of-five service to everyone and whatever their circumstances.

1.2 Why do we want to engage?

To understand why we want to engage we have performed a PESTLE analysis specifically looking at it through the lens of engagement.

The following table captures our analysis, and clearly shows that without continued engagement we may not fully understand the wider expectations, needs and priorities that customers, staff, stakeholders and society have of us:

1.2.1 PESTLE analysis

Political	Economic	Social/Cultural	Technological	Legal/Regulatory	Environment
Political priorities are often generated via public opinion; or driven by the opinions of relevant stakeholder groups. Changing political priorities can produce sudden corporate `impacts' to how we operate - especially if it is accompanied by immediate or sustained media exposure. Trust can be influenced by political opinion and a change in trust can impact the business via a reduction in customers satisfaction, increase in cost to serve and increases in customer complaints and queries The government's austerity programme has indirectly resulted in greater public scrutiny of profits made by regulated companies	Economic impacts on customers and stakeholders are not always evident from our business as usual interactions with them; but the wider health of the UK economy/financial climate will affect our business – whether it's the amount of customer debt we carry or the health/ability of the supply chain to service our contracts.	Expectations around our wider social responsibilities are changing. We are seeing greater expectations from customer stakeholders and investors in the following areas: • that we provide advice as well as services • that water companies are active influencers in the population and property growth debate • that vulnerable customers are provided, supported and cared for by utilities • that we plan for a wide range of different futures • that we are resilient to a range of extreme events and challenges • from our own staff on how we should operate • our customers are individuals and we need to understand their individual needs.	Technology to support all areas of service provision is changing at a rapid pace – especially digital-based technology Customers' expectations on how we will use technology in our water supply operations, and our engagement/communication with them on water is also changing – they often perceive that we are lagging behind. There is increasing wide ranging expectation that we innovate at least in line with other industries	Expectations of a step change in all areas of our performance and how efficient we are in delivering a water supply service. Expectations on how acceptable our customers find our financial structures and other related issues are changing. Expectations there will be more transparent risk-sharing around performance between customers and shareholders. Expectation around a number of key themes including resilience, vulnerability, innovation and affordability	Our environmental activity and obligations are also continually changing for example: • customers' and stakeholders' expectations are that the environment isn't adversely impacted by our activities – in fact they expect biodiversity and wildlife will be enhanced by our work • water companies are encouraged to be active influencers in the plastics and bottled water debate • customers expect that we minimise our carbon impact in our water supply operations • new environmental legislation is relatively frequent • there is risk to existing water sources being relied upon in the future due to potential environmental impacts. • Increased expectation that we help deliver wider environmental priorities including environmental resilience

The PESTLE analysis allows us to succinctly capture why we need to engage. Failing to react to or meet the expectations and issues it raises will result in adverse impacts on South East Water via a number of routes – from unwelcome regulatory outcomes to increased cost to serve customers, and a general lack of acceptability in our future planning and service delivery.

That said, engaging with our customers and stakeholders is not a new initiative in South East Water. Since 2010 we have intuitively ramped up our engagement - we explain why in section 2.3 – so that today it empowers everyone in the company, from frontline staff to the Board, to strive to do things differently and better.

As a result, we've evolved culturally from an often silent, invisible transactional-based utility to a proud, proactive participant in the communities we serve, which wants to gain insight into all the areas described in the PESTLE analysis.

We have become passionate advocates about the power of engagement. It gives us valuable insight and knowledge about customers and society's current and changing expectations about our service. We can then make business decisions based around what our customers and society value, need and expect – as we have done from our learnings around measuring customer satisfaction and attitudinal segmentation.

Good engagement makes good business sense too. It underpins our strong community-based presence and wider corporate reputation as a socially responsible business. It has directly shaped our Pure know h$_2$ow brand which is all about celebrating the knowledge and expertise of our staff. It is also setting the tone for our `shared know h$_2$ow' initiative, which is about engaging with customers, stakeholders, partners and industry experts to develop our services more collaboratively with others.

In summary, engagement helps us:

- See the future more clearly and react accordingly
- finds and understand our customers better – particularly those who are vulnerable
- deliver our customers' and stakeholders' priorities
- defines the level of service and performance targets we're expected to deliver
- helps identify and deliver new ways of working or solutions
- clarifies our wider societal and community role
- builds customer trust and confidence in South East Water

- makes our brand far more visible.

Engagement also benefits us directly by:

Benefit	Example
Reducing the impact of unforeseen `shocks' (political, economic, social, legal/regulatory, environmental) as we are better prepared for changes e.g. anticipating political priorities and acting ahead of those being articulated and/or publicised.	The observations we made from PR14 customer research was that leakage was a clear customer priority and so we set ourselves a target to continually drive down leakage – ahead of the recent political focus on the issue – so that our performance is now upper quartile.
Maximising our relative position for key regulatory measures by leading the industry on better ways of measuring performance.	Introducing customer satisfaction as a measure of our performance which we adopted in 2015; and which will now be replicated across the industry via the customer service measure, CMEX, from 2020.
Reducing the cost of serving our customers by providing a service that meets their expectations, reduces complaints and improves satisfaction.	Our insight into customers' web use showed a growing trend towards mobile access, so we updated our website to take a "mobile first" approach to allow more customers to self-serve from a wider range of platforms.
Ensuring our future plans are more likely to be trusted and endorsed by customers and stakeholders due to the positive relationships we develop by engaging with them to understand the challenges and co-create the solutions.	Our work with the Environmental Focus Group on successive water resources management plans (WRMP14 and WRMP19) has helped us develop more collaborative plan that are widely supported; and our engagement with the group's members recognised as an example of best practice.

Benefit	Example
Avoiding unnecessary regulatory scrutiny as all parties trust us to achieve our promises, as a result of our proven, effective engagement and delivery.	Ofwat has classed our company monitoring framework as self-assured for the last two years.
Customers responding positively during times of water stress. We occasionally but rarely need customers to reduce their water use or alter their behaviour in other ways when the water system is stressed. This is much more likely to be effective if they trust us as a company, and if the message is delivered in the right way; both can be achieved via effective engagement.	Household and non-household customers responded positively and collaboratively to our calls for water use restraint during the 2011-12 drought – parish councils in particular provided a strong community-based engagement medium for delivering our messages.
Reducing the cost of supplying water by more innovative ways of working and which is found from effective engagement and looking for new opportunities.	As we developed our 2019 water resources management plan we were able to secure an existing abstraction licence at the former Aylesford Newsprint site to secure the available water – deferring investment that would have otherwise been needed to secure supplies in this area.
Finally, a business that is seen to be effective at engagement across everything it does is likely to be considered positively by regulators and stakeholders which, in itself, can produce tangible (light touch regulation, sound reputation).	We have good working relationships with all our regulators who trust us to deliver on our promises; and address any issues quickly and efficiently if or when they do occur. Our post-open day surveys of stakeholders also reveal an increase in satisfaction scores once they have a greater understanding of the work we do in their communities.

1.3 What is this document?

The rest of this document is set out in the following way:

Part Two: How we have developed our engagement strategy:

- what we know and have learnt so far
- how those learnings have shaped our engagement strategy
- the external influences that have shaped our engagement strategy
- collating a SWOT analysis from what we have learnt so far

Part Three: Our engagement strategy:

- Our future counts – strategy, governance and leadership
- Your water, your say – developing our business plan through engagement
- Shared know h2ow – our customer-centric business plan
- Count me in – delivering our plan together
- Our engagement strategy in visual form.

Part 4: Glossary of terms

2. How we have developed our engagement strategy

2.1 Introduction

In this section, we set out how our engagement strategy has been informed by the following:

- what we know and have learnt so far (through our own data, transactions and external data mapping)
- how those learnings have shaped our engagement strategy
- the external influences that have shaped our engagement strategy

2.2 What we know and have learnt so far

2.2.1 What we know from our transactions

We receive circa 2,500 customer interactions a day into our customer contact centre - whether that be by phone, email, post or the web. Of those daily contacts, we are able to determine the `top transactions' that customers want or need to undertake with us:

1. Change of occupier
2. Make payment
3. Payment plan
4. Bill query
5. Refund
6. Charges/Tariff query
7. Consumption query
8. Leak allowance
9. Deceased
10. Change name/address

This knowledge has allowed us to both focus our efforts and resources on these transactions and processes, thereby reducing complaints and improving customer feedback. Dealing with customers' issues once and promptly - and making sure that service is personalised to their individual needs - has underpinned much of the `every customer counts' success story we've seen, leading to reduced complaints and improved satisfaction.

The transactions we undertake with customers are important at giving insight into how they want to do business with us, and their expectations of the service we provide - but they do not give us any more personal data about the social and economic `make-up' or the attitudes of our customer base.

We have worked with Experian, a leading provider of information, analytical and consumer marketing data to purchase data for our entire supply area (and how that data compares to the rest of England and Wales). This has allowed us to gain additional transactional-based insight at a postcode level, including the following:

- The `mosaic' types of customers that exist – from transient renters to family basics and aspiring homemakers
- the size of the households (occupants) and household type (house, flat, bungalow)
- any dependants in the household (number) and additional information about them (such as those with a long term health issue or disability)
- their gender, ages, education and occupation type
- their economic activity – student, employed, self-employed, unemployed, retired, long term sick
- whether they own, lease or rent (private and social) the property
- how many vehicles they own
- their living arrangements eg single, married, co-habiting, widowed.

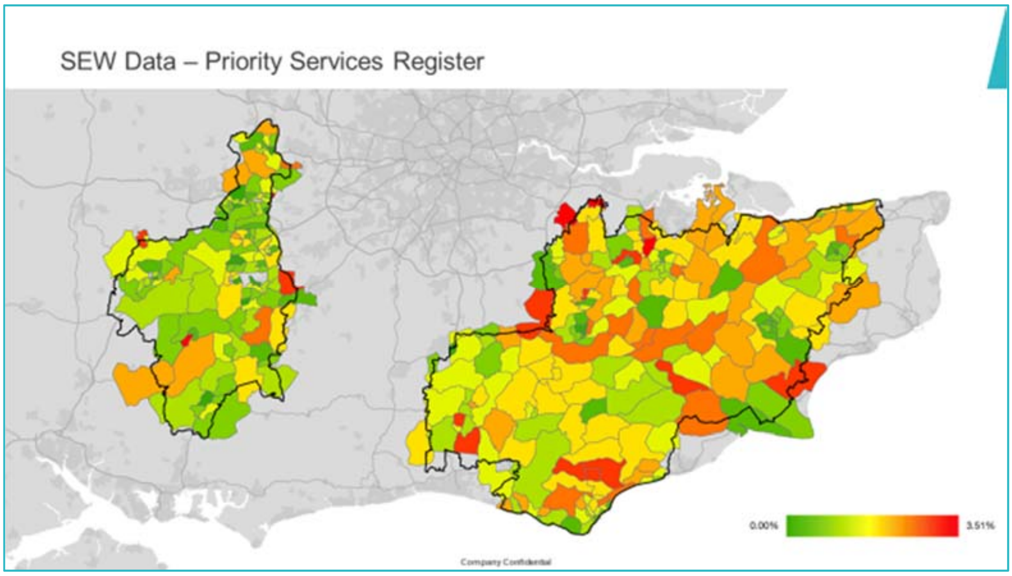
2.2.2 What we know from our own data

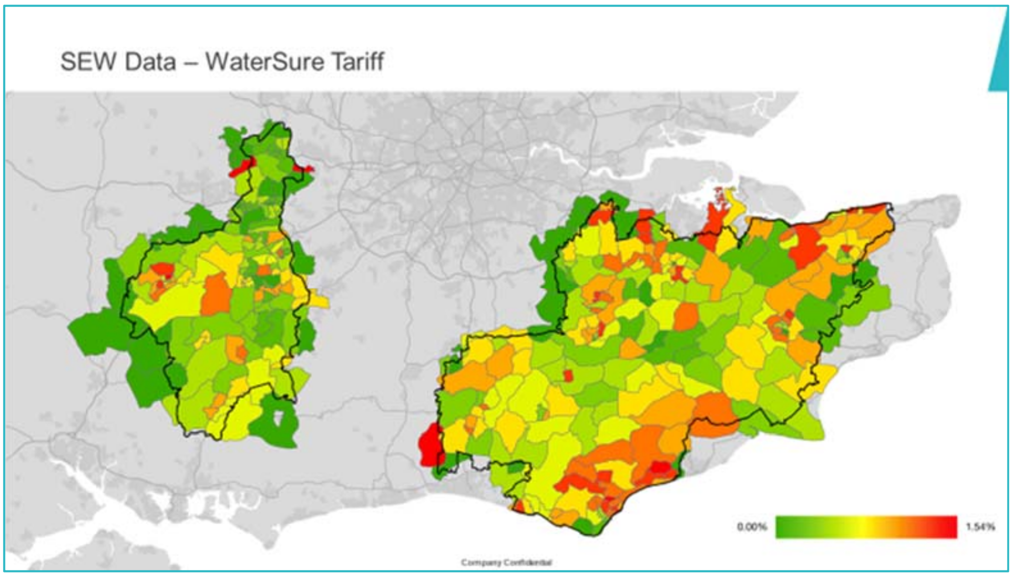
The data we have about our customers has predominantly based around our historic role as a monopoly utility service which undertakes thousands of transactions around water. These transactions give us the following high-level data:

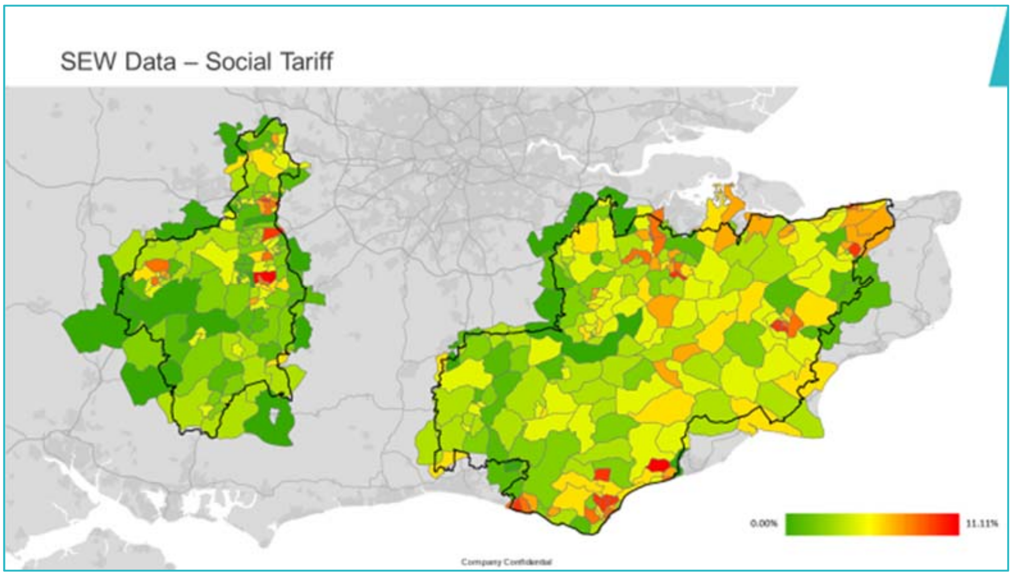
No. household properties	940,826
No. household properties on a meter	81.67%
No. household properties on a budget plan	445,257
No. household properties paying by Direct Debit	573,749
No. household customers for who we have an email address	289,481
No. household customers for who we have a mobile phone number	496,431
No. customers on social tariff	12,523
No. of customers on WaterSure tariff	3,440
No. of customers on Priority Services Register	16,708
Average daily water use for metered customer	140 litres per day

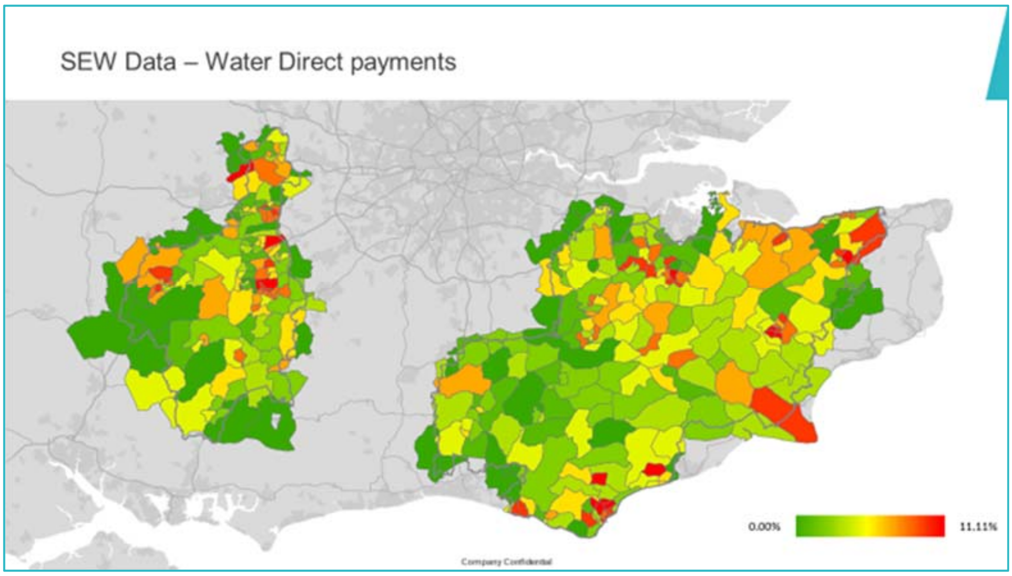
Average daily water use for unmetered customer	181 litres per day

In tandem with our efforts to reduce complaints, we have also begun to interrogate the data we have about those customers who receive additional support from us via our Priority Services Register (PSR), those on support tariffs (WaterSure, Social Tariff) or whose water bills are deducted from their benefits (Water Direct), to develop `heat maps', as shown below:









We are taking this internal data and supplementing it with external data to understand more about vulnerability risks in our supply area – which we cover in the next section.

2.2.3 What we know from external data mapping

We are using external data to understand more about the vulnerability risk factors eg housing, age, health, mobility etc in our supply area.

The data mapping work is comprised of:

- Insights from external data sets (including those customers potentially at risk of vulnerability) from Experian
- comparing that with insights from our own vulnerability data
- insights from others' vulnerability data e.g. energy companies, other water companies

We are also working with other stakeholders, such as energy companies, local authorities and external data companies, to obtain data from them to support the identification of vulnerable customers in our supply area.

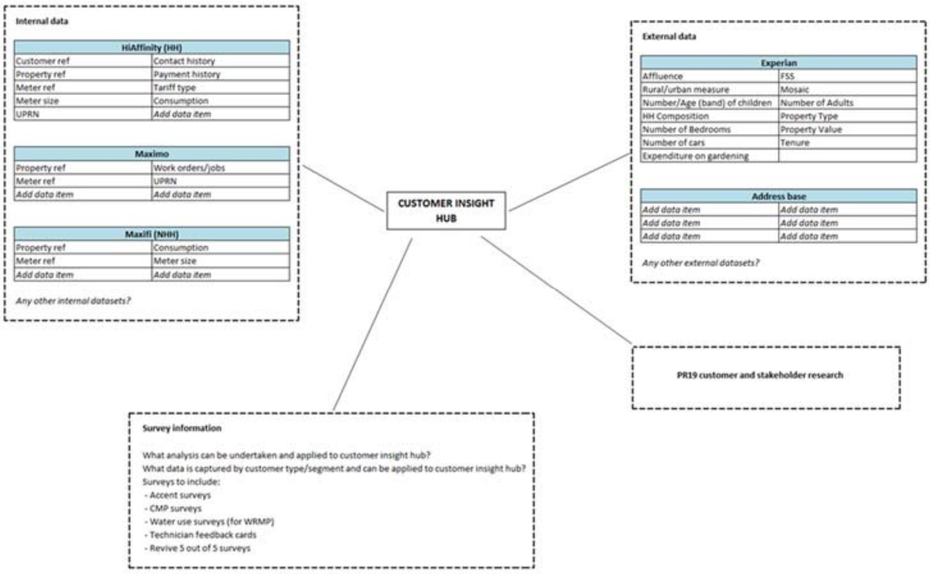
The data mapping project is in its early stages but it is enabling us to identify some key personal and social characteristics of our customer base, such as:

- Economic – the South East region is economically more active than base UK levels
- Ethnicity – the ethnic make-up of the South East region reflects a greater proportion of white people than the national picture
- Health - 83.8% of our customers are in good or very good health, compared to 81.2% across England and Wales. The picture differs from our west to east region though, with the west reporting generally more positive health than the east, although with the east still being more positive than the national trend.
- Deprivation - analysis of data provided through the Department for Communities and Local Government's Index of Multiple Deprivations (IMDs) shows our supply area suffers less deprivation than other areas of England and Wales. Although further work is needed to match the IMD areas to our patch, the current analysis shows only 58 areas within our region fall within the lowest IMD decile, all of which are in the eastern region.
- Age - there are over 620,000 (20.2%) people aged 65 and older in our supply area, which is higher than the national average of 18.2%.
- Single households - there are 349,474 single-occupancy households in our supply area representing 11.6% of our customer base. Of these, 5.3% are aged over 65.

The data mapping of our customer base has given us greater insight into customers' specific characteristics and needs so we can target our services – particularly to customers in vulnerable circumstances – more effectively.

Going forward, this level of data granularity has the potential to significantly enhance the attitudinal segmentation approach we are undertaking (we cover this in more detail in section 2.3.2 and transform our engagement and communications by making them more targeted and relevant. Our engagement and communications can occur in a 'top-down' regional/community way, and also 'bottom-up' on an individual basis.

We are also exploring the development of an `insight hub' that will facilitate data analysis across multiple different data sources as follows:



2.3 How those learnings have shaped our engagement strategy

2.3.1 Introduction

Three key issues dominated the 2010 to 2015 period which proved to be the catalyst for us moving towards a more customer-centric business:

- Customer complaints
- the 2011/12 drought and temporary use bans (TUBs)
- the 2014 price review process
- 2015-17 customer conversations

We now summarise each of these issues.

2.3.2 Customer complaints – and what we learnt

In 2011-12 we saw written complaints from both business and household customers about our customer service peak at circa 13,000 complaints.

The peak was a consequence of the migration to a single billing system in our customer contact centre. While the migration itself was successful, the productivity of the contact centre agents using the new system was much slower than we'd anticipated.

Complaints centred around transactional delays (particularly around responding to customer billing queries and applications to have a meter fitted); and water supply issues - due to a drought and water restrictions there was an increase in leak complaints, while higher agricultural demand for water in Kent prompted customers to complain about their water pressure.

The work we undertook on complaints was about fixing and improving what we did so customers didn't have cause to complain about our service in the first place.

However, while a substantial amount of effort went into fixing our processes, it was the cultural shift we made towards a customer-centric way of working that delivered the most in terms of our performance. Our work on complaints became the pre-cursor to our "five-out-of-five" initiative and our innovative move to measuring our performance by customer satisfaction.

2.3.3 2011-12 drought – and what we learnt

Water supplies across the entire south east region came under intense pressure during 2011-12 when we and other companies experienced a rare type of drought driven by two back-to-back, extremely dry winters.

As a result, our groundwater sources reached historically low levels. To ensure we protected these depleted sources for essential water use, it was necessary in April 2012 to introduce temporary water use restrictions across our entire supply area. We were among seven water companies to impose restrictions.

The experience of the 2011-12 drought provided us with greater insight into the power of proactive communications, showing:

- there was a clear correlation between improved customer understanding of the seriousness of drought and changing behaviours in the short term, with the issue of proactive South East Water-branded communications
- how customers expected to be communicated with during a drought
- the importance of working together with water companies and third party voices to ensure consistent and strong message delivered

- how vital it is that we proactively engage and collaborate with customers, communities, stakeholders and the media about our work to secure and maintain water supplies during “peace time” too

The learnings we made heralded the start of our more proactive communications strategy to engage and inform customers and stakeholders about where their water comes from; the activities we undertake to keep taps flowing; and developed the ways in which we communicate.

2.3.4 2014 Price Review process – and what we learnt

Customer engagement has always been an important element of any business plan process but for the 2014 price review process there was renewed focus on how this should be achieved.

It matched our own ambition to become a more customer-centric business - and the change in Ofwat’s methodology - which saw us develop a business plan that was based around `outcomes’. An outcome sets out, in the broadest sense, what we want to achieve in all areas of our performance as opposed to just meeting a list of key performance measures. This reinforced our desire to:

- develop more customer-focused outcomes that moved away from just measuring our own activity
- prioritise the areas we invested in to meet those outcomes, and design and set the performance targets and incentives by which our water supply service and performance would be judged

As a result, our 2015 to 2020 business plan was based on a series of customer outcomes - those directly shaped by what customers have told us is important to them, many of which would use customer satisfaction scores to track our performance.

We believe our engagement for PR14 was innovative and an exemplar of how the industry should benchmark itself for future conversations with customers, as it focused on the customers’ views of our service.

Our engagement for PR14 – and the decision to measure many aspects of our performance by customer satisfaction – became the launch pad for many of the engagement and brand initiatives that were developed for, and are being delivered, in the 2015 to 2020 period.

These are focussed on taking customers beyond their water bill by becoming a more visible service that engages, listens and works collaboratively with them and others, and builds trust in the process.

2.3.5 2015-17 customer conversations – and what we learnt

The following table summarises:

- what our customers' priorities were at the 2014 price review
- what they have told us since from our many transactions and conversations with them.

Customer priorities	At PR14	Today	Data source
Water quality	Customers take the quality of their tap water for granted and trust us to supply a water supply that is safe, clean and has an acceptable appearance, taste and smell.	Customers continue to place a high priority on the quality of tap water we supply – particularly around taste, smell and appearance which continue to generate a higher number of operational contacts.	Annual tracker survey SIM surveys Customer satisfaction surveys five out of five surveys (operations) Customer complaints/contacts Stakeholder engagement Community talks and events WTW tour – post event feedback Media coverage (including social)
Water supply	Customers generally take the reliability of their tap water for granted but saw it as our role to meet their current and future demands for water – by adopting the twin-track approach of saving water and developing new supplies. Customers think leakage levels are too high and waste a valuable resource; it's a problem we need to fix, and certainly before we ask them to conserve water when there are shortages.	Customers take the reliability of water supplies for granted and expect us to ensure there is enough water for everyone. In general they do accept that occasionally things will go wrong; when they do they expect our service recovery – including our communications as well as our repairs – to be quick and effective. Leakage remains a priority for customers and their satisfaction at our efforts to inform them on how we find and fix leaks is improving – but we still need to do more.	Annual tracker survey SIM surveys Customer satisfaction surveys five out of five surveys (operations) Customer complaints/contacts Interruptions/Incident feedback - including post incident surveys Aldershot leakage campaign Leak repair scheme contacts Stakeholder engagement (EFG)

Customer priorities	At PR14	Today	Data source
			Community talks and events WTW tour – post event feedback Media coverage (including social)
Water service	In general, customers were happy with how we operate our business for them, but they expect to be able to choose how and when they do business with us, and want more information around water efficiency advice and water quality.	Customers' expectations about the range of contact channels and transaction methods have increased. We've responded with greater use and promotion of online account management, website information, social media, live chat, SMS alerts.	Annual Tracker Survey SIM surveys Customer satisfaction surveys five out of five surveys Customer complaints/contacts Social media data Advizzo pilot Stakeholder engagement Community talks and events WTW tour Interruptions/incident feedback – including post incident surveys Media coverage (including social)
Water bills	A priority for the majority of customers is low, affordable bills. In general, they were not willing to pay for any significant improvements in current levels of service.	Keeping bills low and affordable is important – but so increasingly is customers' perception of whether the bill represents value for money	Annual Tracker Survey SIM surveys Customer satisfaction surveys five out of five surveys (billing) Billing contacts Tariff take-up Stakeholder engagement Community talks and events WTW tour – post event feedback Media coverage (including social)

In essence, the conversations with customers showed there was a strong focus on the product – especially during the drought and at PR14. This is still important but our customers' views, expressed during normal service and when things go wrong, have also evolved to there being an increased focus on the service and experience they have with us too.

2.4 The external influences that have shaped our engagement strategy

2.4.1 Introduction

South East Water's leadership team, led by the Board, has a strong ambition to be a leading business in customer engagement (and not just within the water industry).

Our approach to satisfaction has inspired us and we have developed a culture internally of ensuring our employees have a voice in business decisions, we have seen this has been positive and therefore strong customer and stakeholder voice in our business will help us achieve our business vision.

As well as our own ambitions to build on the continuous engagement that has helped our business improve, there are also key external stakeholders who have also set expectations:

- Ofwat
- Our Customer Challenge Group
- Our Environmental Focus Group
- Our stakeholders

2.4.2 Ofwat's expectations of engagement

Ofwat has set out the following vision for the water sector:

"Customers and wider society have trust and confidence in vital public water and wastewater services"

To achieve this, it has outlined seven key principles of customer engagement which water companies are expected to follow.

- Principle 1 - Water companies should deliver outcomes that customers and society value at a price they are willing to pay
- Principle 2 - Customer engagement is essential to achieve the right outcomes at the right time and at the right price
- Principle 3 - Engagement should not simply take place at price reviews. Engagement means understanding what customers want and responding to that in plans and ongoing delivery

- Principle 4 - It is the companies' responsibility to engage with customers and to demonstrate that they have done it well
- Principle 5 - Customers and their representatives must be able to challenge the companies throughout the process. The engagement process should ensure this challenge happens. If this is not done effectively, we must be able to challenge on customers' behalf. In doing so, we will fulfil our duty to protect customers
- Principle 6 - Engagement is not a 'one-size-fits-all' process, but should reflect the particular circumstances of each company and its various household and non-household customers
- Principle 7 - The final decision on price limits is entrusted to Ofwat. We will use a risk-based approach to challenge company plans if this is necessary to protect customers' interests.

Ofwat also held an event in March 2017 called Tapped In and produced a report that gives examples of best practice customer participation. https://www.ofwat.gov.uk/wp-content/uploads/2017/03/1941_OFWAT_Cust_Participation_Report_final.pdf - it includes a model of four strategic areas of action to increase customer participation.

- Futures: Customer participation to improve the current and future sustainability of water in the lives of customers.
- Action: Customer behaviour change actions, including saving water.
- Community: Community ownership of particular aspects of water as an essential resource.
- Experience: Increasing customer control of water in their home or of the customer service experience.

2.4.3 The Customer Challenge Group's expectations of engagement

The South East Water Customer Challenge Group (CCG) has challenged us to produce an engagement strategy so it:

- can be satisfied we are putting our customers and communities at the heart of the way we run our business - both today and in the future
- demonstrate our engagement activity is targeted, effective, cost-efficient and proportionate
- can support the delivery of our company vision

The CCG expects any engagement strategy to:

- be cross-organisational – considering all parts of our business
- include engagement with household and non-household customers, key stakeholders and employees
- demonstrate our understanding of where we are on the journey of embedding customer/community views in our services
- build on the good work undertaken so far (e.g. 'five-out-of-five' initiative in customer services) so we become more customer-centric across all departments

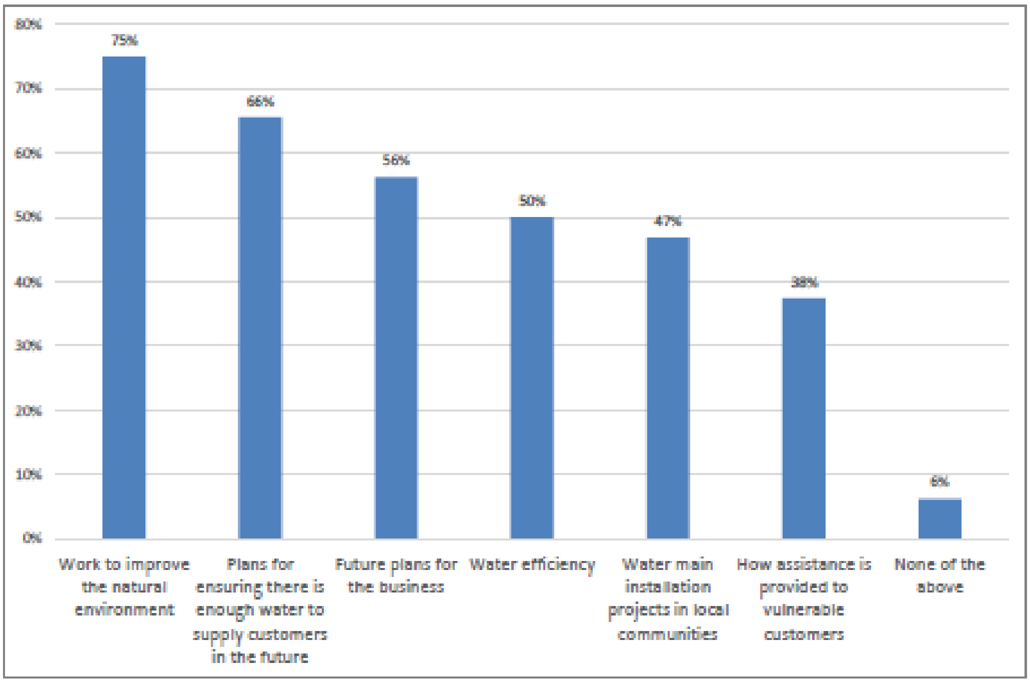
2.4.4 Our stakeholders' expectations of engagement

From November 2017 to January 2018 we carried out a stakeholder perceptions audit which included questions about engagement preferences.

The audit questions were developed with feedback from the CCG research sub-group.

The audit shows that those stakeholders who had engaged with us in development of our work had positive perception. It highlights the importance of engagement to enhance our reputation.

Areas stakeholders wanted to engage with us in the next 12 months included:



Stakeholders have said they prefer we use email, or face-to-face via workshops and public exhibitions to engage with them.

2.5 Collating a SWOT analysis from what we have learnt so far

Collating all the information and insight we've gathered to date, and assessing how we believe we are currently performing, we have created a SWOT analysis.

This provides the framework for the development of the strategy:

2.5.1 SWOT analysis

Strength	Weakness	Opportunity	Threat
Sound customer service performance	Some areas lack a defining strategy e.g. vulnerability	A stronger strategy for engagement, with clear objectives, will realise the customer service performance benefits more effectively	Engagement can be costly so needs to be effective, targeted and managed by multiple owners
Customer-centric business via innovative satisfaction-based measure of performance	Development, ownership and co-ordination of activities under a strategic framework not always defined – activity is more 'organic' and responsive	Engagement strategy, with clear objectives, will provide the framework and tools to improve customer satisfaction with our performance	Conflicting priorities around multiple measures of performance can be difficult to manage
Strong cultural support from staff for customer-centric ethos - reinforced by strong staff survey results and clarity of purpose and vision		Using staff knowledge to build more strategic level relationships (and to support partnership toolbox approach)	
Strong tactical and field-based arrangements across many service areas e.g. vulnerability, metering	Customers' individual needs not always identified and/or considered during field-based processes; wider field staff need training support	An engagement strategy will provide renewed focus for more targeted and appropriate field-based activity and engagement Will also create increased buy-in from staff as reinforces satisfaction-based approach	
Good grasp of process improvements and flexibility to adapt/change	Can be too reactive to change	Ongoing data mapping, horizon scanning and insight hub will provide lever for more proactive	

Strength	Weakness	Opportunity	Threat
		management of process changes and improvements	
Good stakeholder relations	Engagement via business as usual not formally recognised as an insight source to drive improvement	Stakeholder mapping and feedback more formalised (via insight hub) Insight Steering Group to review all potential engagement insight to drive improvements	
Strong Board involvement in engagement	Engagement not structured into strategy development outside of the price review process	Engagement Strategy, with clear objectives, will reinforce links between Board aspirations and delivery of activities	
Strong but periodic engagement on a wide range of issues	We do not have clear monitoring and evaluation plan to help us communicate what we do effectively enough	Engagement Strategy, with clear objectives, will provide lever for more targeted and effective engagement and communications eg via partnership toolbox	Engagement can be costly and needs to be effective, targeted and managed by multiple owners

3. Our engagement strategy

3.1 Introduction

Using the tools of PESTLE and SWOT, and given the world in which we operate, we have created a strategy to fill areas of weakness and build on our strengths and opportunities.

Our engagement strategy is comprised of the following elements:

- ***Our future counts*** – strategy, governance and leadership
  - our engagement vision
  - our engagement objectives
  - how these objectives support our company vision and strategic commitments
  - governance and board engagement
  - achieving our engagement strategy via communications
- ***Your water your say*** – developing our plan together
  - who we are going to engage with and about what
  - how we will engage
  - how we will learn from others
  - how we will compare engagement results via triangulation
- ***Shared know h2ow*** – our customer centric plan
  - how we will evolve our engagement strategy
- ***Count me in*** – delivering our plan together
  - using toolboxes
  - data mapping
  - feedback and continuous learning.

Section 3.6 shows this, our engagement strategy, in visual form. This has been shared separately and developed with the CCG.

3.2 Our future counts – strategy, governance and leadership

3.2.1 PESTLE and SWOT reference

Political	Economic	Social/Cultural	Legal/Regulatory	Environment
Political priorities are often generated via public opinion; or driven by the opinions of relevant stakeholder groups. Changing political priorities can produce sudden corporate `impacts' to how we operate - especially if it is accompanied by sudden or sustained media exposure.	The government's austerity programme has indirectly resulted in greater public scrutiny of profits made by regulated companies; in turn this puts pressure on Ofwat to apply potentially tougher final determinations on the water sector eg do more for less	Expectations around our wider social responsibilities are changing – see 1.2.1	Expectations of a step change in all areas of our performance and how efficient we are in delivering a water supply service. Expectations on how acceptable our customers find our financial structures and other related issues are changing. Expectations there will be more transparent risk-sharing around performance between customers and shareholders.	Our environmental activity and obligations are also continually changing – see 1.2.1.

Strength	Weakness	Opportunity	Threat
Strong Board involvement in engagement	Engagement not structured into strategy development outside of the price review process	Engagement Strategy, with clear objectives, will reinforce links between Board aspirations and delivery of activities	
Customer-centric business via innovative satisfaction-based measure of performance	Development, ownership and co-ordination of activities under a strategic framework not always defined – activity is more 'organic' and responsive	Engagement strategy, with clear objectives, will provide the framework and tools to improve customer satisfaction with our performance	Conflicting priorities around multiple measures of performance can be difficult to manage

Strength	Weakness	Opportunity	Threat
Strong but periodic engagement on a wide range of issues	We do not have clear monitoring and evaluation plan to help us communicate what we do effectively enough	Engagement Strategy, with clear objectives, will provide lever for more targeted and effective engagement and communications eg via partnership toolbox	Engagement can be costly and needs to be effective, targeted and managed by multiple owners

3.2.2 Our engagement vision

South East Water is a purpose-led company - we know that it is our purpose to produce and deliver a reliable supply of high quality drinking water that customers consider good value for money.

We have a vision that inspires us to reach this. Although we are a monopoly we want every customer to feel if they had a choice they would want us to be their water supplier. Therefore our vision is "to be the water company people want to be supplied by and want to work for".

With our company vision and purpose in our minds we set a vision for our engagement plan.

Our experience to date means we know the significant impact excellent engagement can make. We believe that sharing our knowledge and engaging with others to gain theirs will help us ensure our business and those who rely on us for their water will have a sustainable legacy into the future.

Therefore our engagement vision is “Shared know h$_{2}$ow creates a sustainable legacy”.

3.2.3 Our engagement objectives

To help us achieve our engagement vision we have developed a set of engagement objectives to guide our strategy. These are summarised as follows:

- To support and inform the achievement of our company vision and strategic objectives
- To put customers and communities at the heart of the way we run our business today and in the future
- To ensure all groups of customers, including those in potentially vulnerable situations have their voice heard

- To improve two way communication, to build trust and legitimacy – and ultimately customer satisfaction
- To understand the diverse and changing needs, requirements, priorities and attitudes of our customers
- To understand the different views of our customers and how they relate to our public interest responsibilities
- To ensure we use all insight from our conversations with customers – from specific research, through to our daily interactions and from all areas of our business
- To continually investigate and implement new ways of working with our customers to deliver our shared goals
- To develop a business plan that puts customer needs and satisfaction at the heart of what we do, reflecting what our customers want, when they want it and at a price they are willing to pay
- To evidence how we have collaboratively worked to achieve our vision and strategic objectives
- To embed engagement within business as usual processes so that the strategy is adaptive and changes as we learn and as expectations change.

3.2.4 How these objectives support our company vision and strategic commitments

Our company vision is "to be the water company people want to be supplied by and want to work for". This vision is underpinned by five commitments and a number of strategic objectives:

Commitment	Objectives
Every customer counts Our customers' priorities lie at the heart of everything we do	Increased customer satisfaction – customers score us five-out-of-five
	Upper quartile customer satisfaction
Everyone counts We inspire and motivate our people and partners	Keeping everyone safe – zero accidents
	A great place to work – colleagues and partners recommend us as a good place to work
Every action counts	Top quality drinking water – our water samples will meet current drinking water standards

Commitment	Objectives
Our operational performance is safe, effective and efficient	All our statutory obligations are delivered
	Keeping taps flowing – 'Every minute counts'
Every drop counts Our infrastructure delivers a reliable service to our customers	Significantly reduce leakage – 'Drive to 85'
	Zero water resource deficit – meeting customer demand for water for the future
	90% of customers on a meter – Helping everyone save water
Our future counts We plan effectively for the long-term	Zero breaches of environmental obligations
	Stakeholders accept our long term plans
	We deliver our Corporate Plan

These are the commitments we made for our 2015 to 2020 plans. As we develop our commitments for the new business plan we will develop and update these.

3.2.5 Governance and board engagement

We plan effectively for the long term through our corporate governance. We have a strong leadership and governance programme to set our strategy and support the development and delivery of our plans.

The delivery of those plans is assessed through robust internal and external assurance programmes, including peer reviews, manager sign off, executive and board oversight and external through our assurance partners. We have also improved the reporting of our activities through our Performance, People and Planet Report and the Company Monitoring Framework reports as believe our customers and stakeholders value the transparency these reports provide.

We have also designed a Board engagement programme, the purpose of which is to allow Board members to:

- Gain a richer and deeper level of insight from customers about their water supply service and any issues they have with that service
- provide feedback and ideas to the Executive Team about how to improve our service to customers; and the insights that could help shape the company's strategic approach for 2020 onwards
- ensure that the Board is proactively engaging with customers to understand their views at a much more personal level

3.2.6 Achieving our engagement strategy via communications

Key to achieving our engagement strategy is how we communicate with customers and stakeholders about our work. We know from our experience that both proactive and reactive communications can improve our water supply services and build our corporate and community reputation too.

In 2015 we developed a communications plan to support our new vision and values and help deliver our customer satisfaction targets. The plan was centred on the following key commitments:

- Be visible and be heard
- Trusted relationships
- Taking action and being advocates
- Creative content

Since writing the plan we have continually reviewed and adapted our communication approaches and introduced a number of initiatives to improve how we communicate with customers and stakeholders so that our conversations with them are targeted, relevant and use a range of channels.

Activities include:

- Implementing new channels such as web chat, text messages updates and a new online portal for giving customers more information during a supply interruption
- carrying out an extensive re-branding exercise with the aim of moving us from an invisible service provider and increasing customer satisfaction through more open, transparent communications about the work we do behind the scenes
- raising the companies profile through more involvement in community projects and stakeholder groups
- dedicated leakage campaigns
- customer magazine trial
- new annual reporting, Performance, People and Planet report and financial reporting, aimed at making our performance more transparent and engaging
- improving information via an online portal for updates on engineering schemes and using social media to keep people informed

- working in partnership with organisations to deliver targeted engagement programmes such as with landowners to improve water quality or the NHS on hydration messages
- taking the success of our proactive engineering communications and using a similar approach during our mains flushing to give customers information ahead of time about the possibility of discoloured water and why we are doing the work
- increasing promotion of our environmental work, including developing Fishing for Schools Day and trialling "Water Matters" programme in schools in Sussex
- transforming our website to be a fully responsive site for people accessing via mobile and including an online account service

However, we also want to learn from our daily interactions with customers so that it can help feed our longer term planning and strategic decision making. The development of our Satisfaction and Insight Steering Group and Engagement Dashboard will help us achieve this.

We are in the process of updating our communications plan based on this engagement strategy with particular emphasis on the following areas:

- Use of technology to support multi-channel communications based on the customer's choice
- utilising a campaign approach so that we can monitor feedback allowing us to adapt and learn to improve our communications
- being transparent with our communications – increased use social media and our website to be upfront and open about our performance and service
- increased use of technology for internal communications (such as our intranet 'Gurgle') to encourage employees to get involved and learn from their feedback
- develop campaign material using our new attitudinal based segmentation to encourage customer participation and ensure our communications are as effective as possible
- work with customers and stakeholders to co-create our campaigns where possible and aim to develop creative content that encourages participation and co-delivery of our solutions

- agreeing a measurement and evaluation plan for our campaigns so we can learn from what works well and stop doing work that is not effective if it is not successful
- ensure we find new ways of communicating with customers in vulnerable situations or are harder to reach, and utilising our relationships with stakeholder to help achieve this
- using two-way channels giving people the opportunity for a conversation with us
- involvement of the Board throughout following the introduction of our Board Engagement Programme
- use comparative information more – promoting the Discover Water website
- developing our stakeholder engagement plan – including improving our database stakeholder mapping

3.3 Your water your say – developing our business plan through engagement

3.3.1 PESTLE and SWOT reference

Political	Social/Cultural	Technological	Legal/Regulatory	Environment
Political priorities are often generated via public opinion; or driven by the opinions of relevant stakeholder groups.	Expectations around our wider social responsibilities are changing – see 1.2.1.	Customers' expectations on how we will use technology in our water supply operations, and our engagement/communication with them on water is also changing – they often perceive that we are lagging behind.	Expectations of a step change in all areas of our performance and how efficient we are in delivering a water supply service. Expectations on how acceptable our customers find our financial structures and other related issues are changing. Expectations there will be more transparent risk-sharing around performance between customers and shareholders.	Customers' and stakeholders' expectations are that the environment isn't adversely impacted by our activities – in fact they expect biodiversity and wildlife will be enhanced by our work Water companies are encouraged to be active influencers in the plastics and bottled water debate Customers expect that we minimise our carbon impact in our water supply operations

Strength	Weakness	Opportunity	Threat
Sound customer service performance	Some areas lack a defining strategy e.g. vulnerability	A stronger strategy for engagement, with clear objectives, will realise the customer service performance benefits more effectively	Engagement can be costly so needs to be effective, targeted and managed by multiple owners
Customer-centric business via innovative satisfaction-based measure of performance	Development, ownership and co-ordination of activities under a strategic framework not always defined – activity is more 'organic' and responsive	Engagement strategy, with clear objectives, will provide the framework and tools to improve customer satisfaction with our performance	Conflicting priorities around multiple measures of performance can be difficult to manage
Good grasp of process improvements and flexibility to adapt/change	Can be too reactive to change	Ongoing data mapping, horizon scanning and insight hub will provide lever for more proactive management of process changes and improvements	

3.3.2 Who we are going to engage with and about what?

Household and non-household customers

We will engage with household and non-household customers to understand:

- their priorities for their water supply service
- the level of service they would like (now and in the future)
- the cost they are prepared to pay for that service (now and in the future)
- our 2020 to 2025 business plan, specifically:
    - how acceptable is the overall business plan?
    - how they could help us deliver it?
- our societal impact, specifically:
    - what do customers think our impact on society and local communities is and should be?

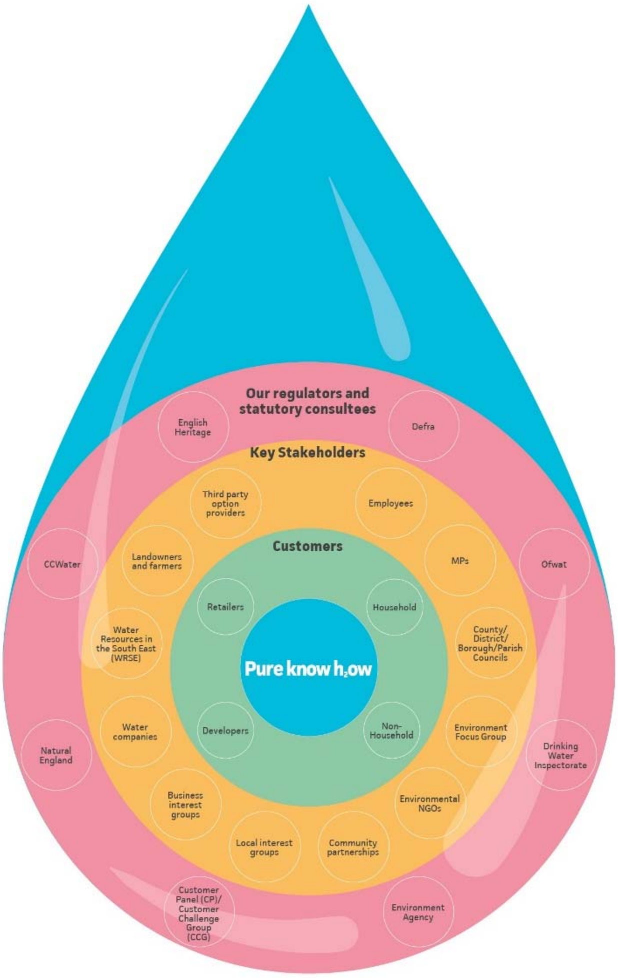
Household customers in vulnerable circumstances

We will engage specifically with household customers in vulnerable customers to:

- seek their views on our future plans eg their priorities, preferred levels of service, cost and affordability impacts, and the overall acceptability of what we want to deliver
- gain greater insight from them and `bring to life' the issues they face with our:
    - processes
    - performance
    - services
- this will ensure:
    - our services are inclusive to all our customers
    - our services are developed with vulnerable customers' needs and expectations at their core
    - our activities are targeted, effective and efficient and continuously reviewed to make sure they remain so for future customers who may find themselves in vulnerable circumstances
    - we go beyond service-led activity to take account of our social responsibilities to these customers as part of our long-term plans

Our stakeholders

Our stakeholders are broad ranging and varied in terms of their interest in our water supply service. We have summarised many of them in the following graphic:



Understanding the views of all our stakeholders is important as they can play a key part in shaping and delivering our services. We will engage with stakeholders to understand:

- their priorities for their water supply service
- the level of service they expect (now and in the future)
- the cost they are prepared to pay for that service (now and in the future)

- our 2020 to 2025 business plan, specifically:
    - how acceptable is the overall business plan?
    - how they could help us deliver it?
- the services we are offering/should be offering to customers in vulnerable circumstances
- our societal impact, specifically what do stakeholders think the key issues for society are? How will these issues impact South East Water and how can we make a positive difference for society?

3.3.3 How we will engage

Engaging household and non-household customers

Every five years water companies go through a rigorous process to prepare their five-yearly business plan which is submitted to Ofwat. The 2020 to 2025 business plan will set the level of water bills and services for that period, and is due to be submitted in September 2018.

Our research will use tried and tested qualitative and quantitative research methods complemented by more innovative techniques.

However, for household customers specifically we have moved away from the notion of a business plan for the `average customer' and evolved an approach that is more tailored to their needs and expectations.

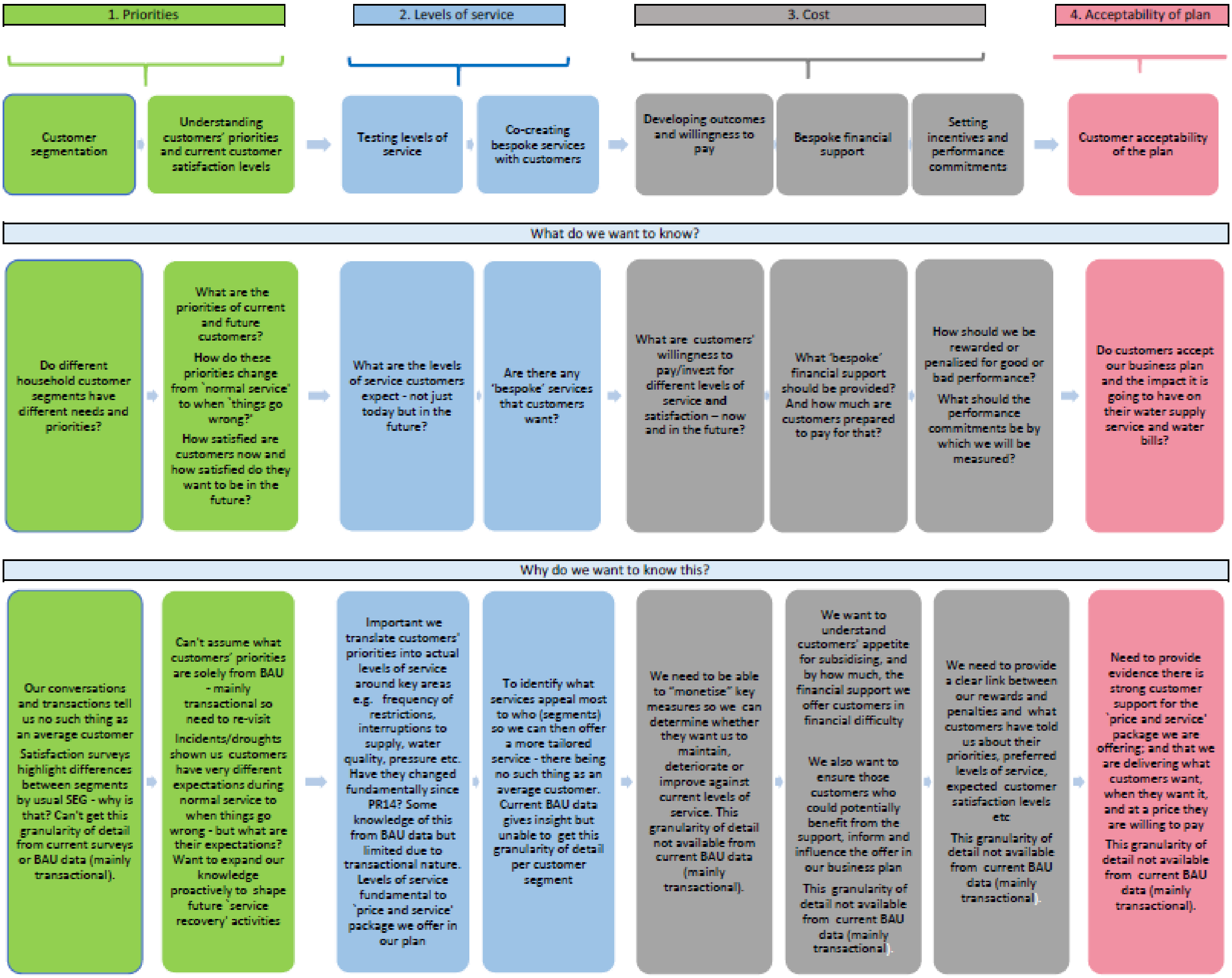
We are using segmentation - based on customers' attitudinal and emotional responses to water - to develop our future thinking around outcomes, performance commitments and outcome delivery incentives.

Segmentation allows us to understand the diverse and changing needs, requirements, priorities and values of our customers, meaning we can:

- tailor our engagement and research to improve its effectiveness
- tailor our services to support all our customers - there being no such thing as an `average' customer
- evolve our outcomes to reflect this approach
- co-create the performance commitments and outcome delivery incentives (ODIs) with customers that reflect their attitudes and needs

Our attitudinal segmentation has been complemented by other innovative research such as the use of a futurologist to create future world scenarios to test how customers' water priorities may change; and our custom-made "the future" website (developed with Supercharge) to test and triangulate customers' views on their water service priorities, levels of service, risk and bill impacts.

The research programme for the 2020 to 2025 business plan is summarised in the following graphic (the complete spreadsheet has already been circulated to the CCG):



In essence our engagement graphic sets out:

- What we need to know (and why)
- defines who we want to know this from
- defines how we will find this out
- explains why the research approach was taken

- explains why the research method was chosen
- clarifies what part of the business plan the research is influencing.

Engaging with household customers in vulnerable circumstances

For each stage of the research for the 2020- 2025 business plan we have specifically recruited sufficient quotas of customers who are considered to be in vulnerable circumstances; this ensures we are looking at all the key issues and topics we need to explore through a `vulnerability lens'.

In addition, we are in the process of defining and developing our vulnerability strategy for the business (which will also inform key components of our 2020 and beyond business plan).

Our vulnerability strategy will be shaped and influenced by:

- those who are experiencing the services we offer – whether their exposure to vulnerability issues is temporary or permanent
- those who want greater protection when we deliver our water services so they can be (and feel) safe and cared about
- those who want greater protection when we deliver our water services so they feel safe and cared about
- those who we can empower to be able to access more easily the benefits of our water service

We have designed the following specific customer engagement activities to inform our vulnerability strategy:

Engagement activity	Engagement objective
2 x focus groups with our Customer Care Team staff	To tap into the wealth of knowledge our staff have gained from their one-to-one dealings with customers in vulnerable circumstances.
25 x telephone interviews with customers in vulnerable circumstances	To gain greater insight from customers and `bring to life' the issues/barriers they face with our processes, performance and/or services.

5 x case study interviews with customers in vulnerable circumstances	To gain greater insight from customers and `bring to life' the issues/barriers they face with our processes, performance and/or services.
25 x interviews with customers in vulnerable circumstances directly affected by freeze-thaw incident	To `bring to life' the issues/barriers they face with our communications and services during an incident.
1 x interview with charity that supports people in vulnerable circumstances directly affected by freeze-thaw incident	To 'bring to life' the impacts of the event and the issues/barriers they saw customers face during the incident.

Engaging with stakeholders

We have significantly developed our stakeholder communications and engagement, and recognise the importance of how this activity can help us achieve our vision and objectives and many of our outcomes for 2015-2020.

Proactive stakeholder engagement also improves satisfaction with our services too. For example, our surveys of stakeholders who have toured our water treatment works often reveals an increase in satisfaction scores around leakage, value for money and overall satisfaction once they have a greater understanding of the work we do in their communities.

Our stakeholder engagement is evolving further and is seeking to answer the following key questions by the following methods:

What do we want to know?	How will we find this out?
Who are our stakeholders and where do they operate?	Data mapping project
What are their needs and priorities for water?	Priority workshops
What is their interest and influence in water?	Influence mapping exercise
What is their perception of our business?	Stakeholder perceptions audit

What more can we do to support customers in vulnerable circumstances?	Vulnerability interviews and workshops
What is their view of the societal role we should play in their communities?	Responsible business workshops

This evolving stakeholder engagement will not only help shape our future plans and services, but will provide greater opportunity for us to work more collaboratively with our stakeholders on a wide range of future challenges and opportunities.

3.3.4 How we will learn from others

In devising our engagement strategy, we want to make sure we capture the learnings from others too.

We will be undertaking `horizon scanning' exercises as follows:

- A scan of future trends and activities to inform our strategic plans and services
- a review to see what wider research and insight is available for use in the triangulation process.

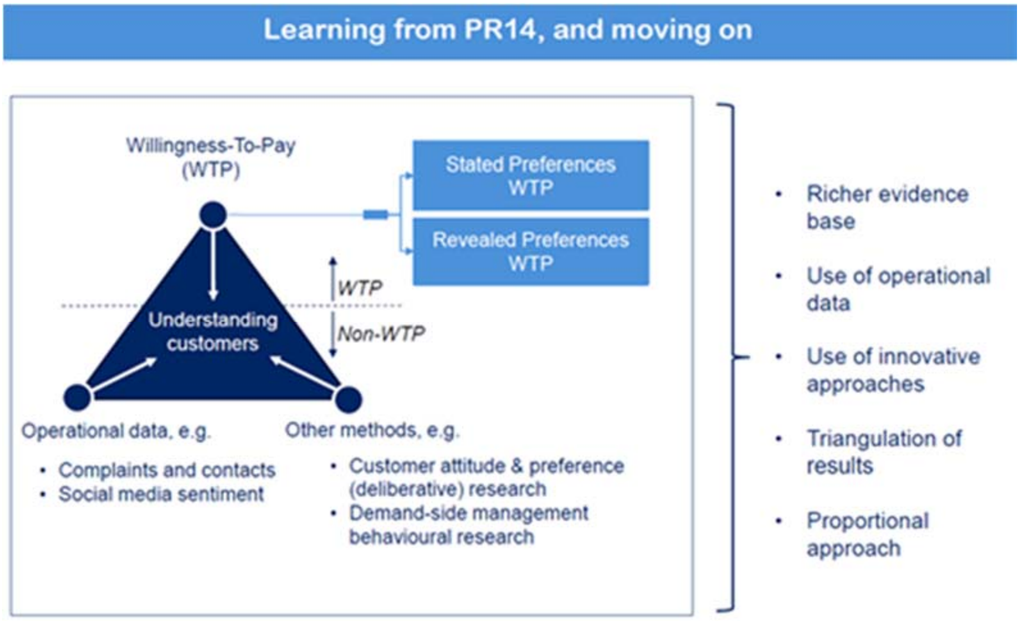
We've agreed with the CCG that our scan of future trends and activities will initially focus on vulnerability issues. Once this work is completed we will review the effectiveness of this activity and look to expand the horizon scanning remit to other priority areas of our business.

3.3.5 How we will compare engagement results via triangulation

Undertaking a wide range of research and engagement will undoubtedly lead to different views being expressed by customers and stakeholders. Insight and intelligence may also be available in research undertaken by other organisations too.

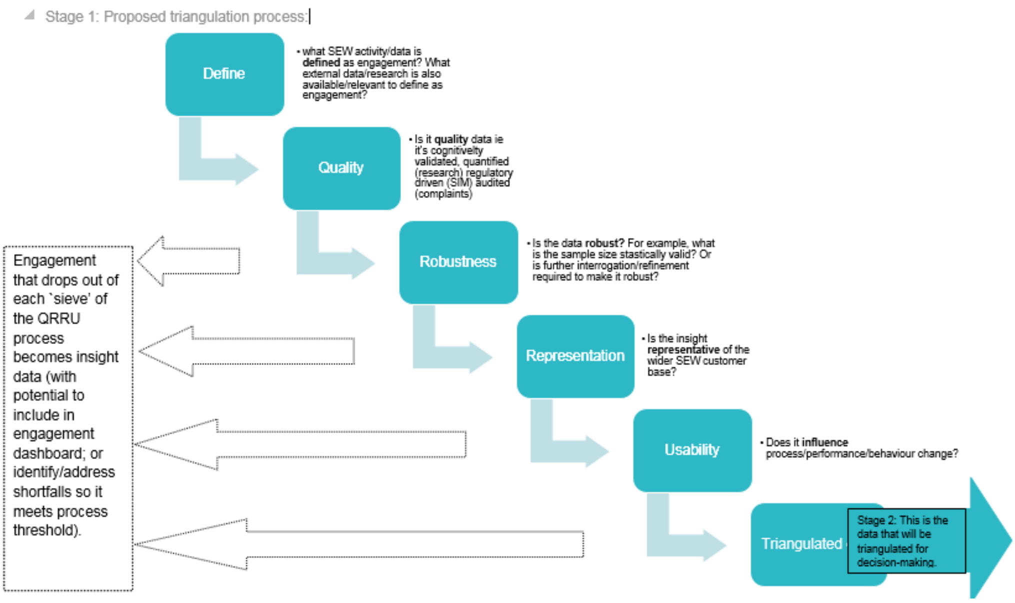
We are developing an approach on how we will 'triangulate' these different views so there is a strong evidence base about what our customers' priorities, needs and requirements are.

Triangulation is represented in the following diagram:



We have developed a two stage process to triangulation:

Stage 1: What should we triangulate?



This first stage is process-led and applies a series of `sieves’ to try and determine a minimum threshold of quality, robustness, representation and usability of the engagement data or evidence. For engagement data or evidence that successfully passes through each `sieve’, we will use this for triangulation. We can then see if there are any common themes emerging, or if there is any data (in)consistency from the triangulation process.

For engagement that drops out of each `sieve' stage, we will determine if it can remain/become `insight' for capturing in the Engagement Dashboard; or if we need to address shortcomings in how the engagement is collected/tested/validated etc to ensure it meets the minimum threshold around quality, robustness, representation and usability.

We have undertaken Stage 1 with an initial 40 separate pieces of engagement data/evidence, of which 15 have been identified for further triangulation.

Stage 2: How to triangulate the evidence

The Stage 2 process is focussed on the approach and method we will use to make judgements and decisions from all the engagement data/evidence gathered to inform our strategic plans and deliver our services. We have asked ICS Consulting to assist us with overseeing the Stage 2 process, specifically determining what questions need to be asked and the weighting approach that should be used (using the triangulation guidelines produced the Consumer Council for Water). This exercise will be the subject of separate discussions with the CCG.

3.4 Shared know $h_2$ow – our customer centric business plan

3.4.1 PESTLE and SWOT reference

Political	Economic	Social	Legal/Regulatory	Environmental
Political priorities are often generated via public opinion; or driven by the opinions of relevant stakeholder groups.	Economic impacts on customers and stakeholders are not always evident from our business as usual interactions with them; but the wider health of the UK economy/financial climate will affect our business – whether it's the amount of customer debt we carry or the health/ability of the supply chain to service our contracts. The government's austerity programme has indirectly resulted in greater public scrutiny of profits made by regulated companies; in turn this puts pressure on Ofwat to apply potentially tougher final determinations on the water sector eg do more for less.	Expectations around our wider social responsibilities are changing.	Expectations of a step change in all areas of our performance and how efficient we are in delivering a water supply service. Expectations on how acceptable our customers find our financial structures and other related issues are changing. Expectations there will be more transparent risk-sharing around performance between customers and shareholders.	Our environmental activity and obligations are also continually changing – see 1.2.1

Strength	Weakness	Opportunity	Threat
Customer-centric business via innovative satisfaction-based measure of performance	Development, ownership and co-ordination of activities under a strategic framework not always defined – activity is more ‘organic’ and responsive	Engagement strategy, with clear objectives, will provide the framework and tools to improve customer satisfaction with our performance	Conflicting priorities around multiple measures of performance can be difficult to manage
Strong tactical and field-based arrangements across many service areas e.g. vulnerability, metering	Customers individual needs not always identified and/or considered during field-based processes; wider field staff need training support	An engagement strategy will provide renewed focus for more targeted and appropriate field-based activity and engagement Will also create increased buy-in from staff as reinforces satisfaction-based approach	

3.4.2 Preparing our 2020-2025 business plan

In Spring/Summer 2018 we be writing our business plan for 2020 – 2025 which will be informed by the insight we have gained during our development phase. This will be published in September 2018.

The plan itself will detail:

- our business strategy – including our vision and strategic objectives
- the investment priorities we have decided on and their cost
- the levels of service customers will receive
- the measures and performance commitments we will be judged against

We will have specific responsible business commitments which will come from our engagement with customers and stakeholders about our role in society.

We will continue to work closely with our stakeholders as we draft this plan to ensure their views are incorporated.

3.5 Count me in – delivering our plan together

3.5.1 PESTLE and SWOT reference

Political	Social	Technological	Legal/regulatory
Political priorities are often generated via public opinion; or driven by the opinions of relevant stakeholder groups. Changing political priorities can produce sudden corporate `impacts' to how we operate - especially if it is accompanied by sudden or sustained media exposure.	We are seeing greater expectations in the following areas: • that we provide advice as well as services • that vulnerable customers are provided, supported and cared for by utilities • from our own staff on how we should operate • our customers are individuals and we need to understand their individual needs.	Customers' expectations on how we will use technology in our water supply operations, and our engagement with them on water, is also changing.	Expectations of a step change in all areas of our performance and how efficient we are in delivering a water supply service. Expectations there will be more transparent risk-sharing around performance between customers and shareholders

Strength	Weakness	Opportunity	Threat
Good grasp of process improvements and flexibility to adapt/change	Can be too reactive to change	Ongoing data mapping, horizon scanning and insight hub will provide lever for more proactive management of process changes and improvements	
Good stakeholder relations	Engagement via business as usual not formally recognised as an insight source to drive improvement	Stakeholder mapping and feedback more formalised (via insight hub) Insight Steering Group to review all potential engagement insight to drive improvements	
Strong Board involvement in engagement	Engagement not structured into strategy development outside of the price review process	Engagement Strategy, with clear objectives, will reinforce links between Board aspirations and delivery of activities	

Strength	Weakness	Opportunity	Threat
Strong but periodic engagement on a wide range of issues	We do not have clear monitoring and evaluation plan to help us communicate what we do effectively enough	Engagement Strategy, with clear objectives, will provide lever for more targeted and effective engagement and communications eg via partnership toolbox	

3.5.2 Evolving our engagement strategy

Introduction

An effective engagement strategy is one that can evolve, flex and adapt as we learn more from what our customers and stakeholders are telling us; and are exposed to new engagement approaches and techniques.

Once we have defined our 2020-2025 business plan we will begin to deliver it through our "Count me in" programme - but as we have over the last five years, we intend to continually test, learn and adapt.

Our engagement strategy will be continuously reviewed, challenged and improved. Our Satisfaction and Insight Steering Group has been tasked with being responsible for this to ensure our engagement strategy is reflective of what we learning, keeps abreast of innovative techniques and activities and is fit for purpose.

We will also share our evolving engagement strategy and approach with key stakeholders so their views on how we can best reach all our customers can also be incorporated – this includes our Customer Challenge Group and the Consumer Council for Water.

Encouraging customer participation

A key aspect of our engagement strategy is to achieve the active participation of our customers in shaping and influencing their water supply service to give them greater control and choice over what is delivered, when and how.

This is a natural iteration of us becoming a more customer-centric business – from one where we have developed our own ideas and preferred solutions and then consulted with customers on those, to one that works with customers to understand the challenges and opportunities and to design solutions together.

We can evolve our customer participation further so that it doesn't just shape and influence customers, but empowers them to change their relationship with water - and us.

Specific activities we are undertaking to ensure customers are involved in a more participative way include:

Strategic areas of action	Examples of our approach
Futures: Customer participation to improve the current and future sustainability of water in the lives of customers	Our futurologist focussed customer focus groups and resilient customer research Societal impacts workshops Co-creation of our vulnerability strategy (a separate paper is available that outlines our proposed approach for this)
Action: Customer behaviour change actions, including saving water	"My Water Use" report and online portal (see detailed case study below) Water wishes pledges made at family festivals Award winning catchment management engagement
Community: Community ownership of particular aspects of water as an essential resource.	Evolving our community chest fund into a community innovation fund - with the community as the owners Broad Oak Water Community Panel to work with us as we develop plans for the new reservoir
Experience: Increasing customer control of water in their home or of the customer service experience	Fully responsive website and developing our online review options to give customers voice and shared experiences Potential to create "know h₂ow genius" status for customers who provide regular feedback in to forums with potential benefits (e.g. discount of water saving products, freebies, invite to events) Trialling a technology in collaboration with Hive to alert customers to high consumption or leaks

We are developing our approach so that we can clearly demonstrate how we have worked together with customers both to develop and then implement solutions through the toolbox activities (a separate presentation is available that outlines our proposed approach for this).

Case study: Advizzo water efficiency project

Our 2015 to 2040 Water Resources Management Plan set out ambitious water efficiency and per capita consumption targets, with customers' use of water reducing by over 10 per cent from 166 litres per person per day to an average of 149 litres per person per day.

Persuading our customers to use less water – and making that behaviour change permanent and sustainable so that we can maintain with confidence the supply demand balance – requires more than just a `fit and forget' approach to the issuing of water efficiency devices.

We joined forces with behavioural science experts Advizzo to develop an innovative approach to demand management based on `nudge theory'. In essence, customers are empowered with smarter data and information so they can better control the water they use and their bill – while helping us meet our ambitious demand management targets.

Taking data from customer meter reads, third-party data, customer metering surveys and micro component data analysis, we created individual six-monthly "My water use" reports for 22,000 customers and compared their usage to similar households in their communities.

Early results from the pilot suggest a reduction in per capita consumption of between 1 to 2 per cent in the medium term is achievable. And by understanding our customers water usage we have been able to improve the engagement take up and satisfaction among customers - with 63 per cent completing the home survey and 84 per cent satisfied with the project.

Our Advizzo pilot is also aligned with three core themes of Ofwat's expectations around active customer participation:

- Futures – customer participation to improve the current and future sustainability of water services.
- Action – customer behaviour change, including saving water and helping to reduce sewer blockages.
- Experience – increasing customers' control of water in their home and of the service experience.

3.5.3 Using toolboxes

The Engagement Strategy graphic (section 3.6) shows three toolboxes we are developing so that we can build on our engagement, customer participation and innovation for PR19 and beyond (these have been the subject of separate discussions with the CCG).

The three toolboxes shown are:

- Customers – the behavioural change toolbox
- Stakeholders – the partnership toolbox
- South East Water – the innovation toolbox

All three have the ability to drive increased customer participation in water but it is the behavioural change toolbox that promises to drive greater collaboration between us and our customers so that shared goals are achieved – customers are empowered to have greater control and choice over water in their daily lives, while we can benefit from sustained, positive changes around their behaviour.

3.5.4 Data mapping

The data mapping work we have undertaken so far (as summarised at 1.2.3) has the potential to transform our engagement by making it more targeted and relevant to those we want to engage with. Having identified who and where they are, and/or the stakeholder groups or bodies that represent their interests, we can drive more customer participation in the creation and delivery of our services.

3.5.5 Feedback and continuous learning

To ensure we continue to learn from the engagement we are undertaking we have set up a number of different review mechanisms as set out below.

Satisfaction Steering Group and its evolution

A dedicated steering group of business-wide representatives was formed to review performance against our customer satisfaction targets. They were informed by the work undertaken by our Customer Satisfaction Analyst who interrogates the data to gain further insight from our satisfaction scores.

As well as analysing the results numerically we also review the verbatim comments provided by customers to identify common themes that express either positive or negative sentiment.

Using the scores and comments we have been able to identify areas of our business – be it around our processes, performance or people – that require further investigation. This has involved specialists from across the business to discuss in more detail the areas identified. By reviewing the customer feedback in such detail we have been able to implement improvements as well as identify areas for investment and customer education.

This approach has given us more opportunity to understand the feedback we are gaining from our customers and ensure any lessons are learned and embedded into our ‘business as usual’ processes.

We have decided to further the scope of the Steering Group to review all potential customer insight, rather than just focussing on the insight we gain around our satisfaction measures and performance.

The reformed steering group will collectively review customer satisfaction, customer vulnerability, customer engagement through BAU transactions, survey feedback, social media sentiment as well as the findings from any research activities and horizon scanning work.

The scope of the role of our Customer Satisfaction Analyst has also been widened to become a dedicated Insight Advisor role supporting all departments on sharing insight and feedback into all areas of the business.

Our newly developed “Engagement Dashboard” will be used to report on this activity.

`Pure know h$_2$ow works’

We have developed a new concept called ‘Pure know h$_2$ow works’.

‘Pure know h$_2$ow works’ is a visual map in the form of a water treatment works that aids our people and partners when undertaking projects and validating innovative ideas. It is intended to prompt people to consider the purpose of the project, who to engage with (internally and externally), how they should engage and the impact of their proposed innovation.

The process is customer centric and engagement is prompted throughout – it stimulates thinking about how we listen to customers’ and stakeholders’ views within the planning and delivery processes.

The concept is still in an early development phase but initial feedback from the internal workshops we have held has been positive so far.

`Shared know h$_2$ow hub’

Our experience of engagement is it works and makes a positive difference to our business.

Internally our employee intranet was relaunched in 2016 and provides a social platform for colleagues to share ideas and `work out loud’; blogs, online teams and forums enable people to work together in a more open and transparent approach.

We want to build a similar platform that is open for all, so we can encourage customers, stakeholders and employees to `engage out loud’ together in the future too. It will be a hub for sharing early ideas and innovations; and to seek others with similar interests so we can build collaborative teams and partnerships based on a completely transparent approach to engagement.

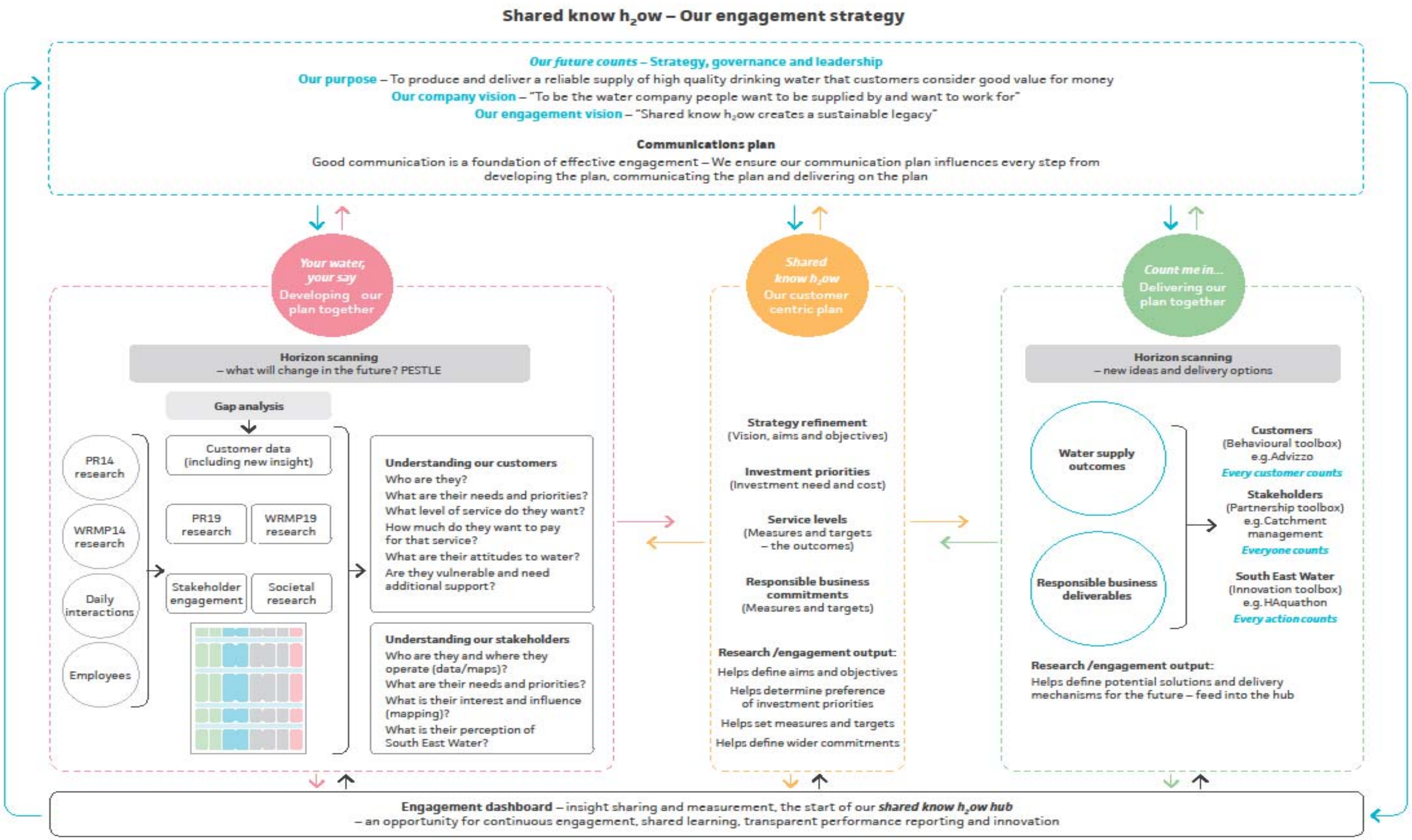
It also gives an opportunity for people who have decided not to use social media to join in shared conversations with us and the communities we serve.

Our intention is to develop this platform over the next couple of years so we can use it as a hub for our ongoing engagement, developing an approach which will fully embed participatory engagement into our business.

It’s an exciting approach that will help us realise our vision and see shared know h$_2$ow create a sustainable engagement legacy.

‘

3.6 Our engagement strategy in visual form



4. Glossary of terms

ACTS

Average Cost To Serve

AIM

Abstraction Incentive Mechanism - a scheme devised by Ofwat to provide an incentive for water companies to reduce the use at a small number of selected sources that have the potential to cause environmental damage. The reductions will only be made when river flows are low, there is allowance for the education to be suspended under certain conditions e.g. if demand is very high or if the alternative source is not available for any reason. The AIM is only proposed as a reputational measure for AMP6 and is due to come in to force from April 2016 and may be further developed for AMP7 when it may become a financial incentive.

AMP

Asset Management Period - the five-year period covered by a water company's business plan. These are numbered; with AMP1 referring to the first such planning period after the water industry was privatized – i.e. the period from 1990 to 1995. The current period (2015 – 2020) is known as AMP6, and the period for which we are now starting to plan (2020 – 2025) will be AMP7.

AMR

Automated meter Reading

AONB

Area of Outstanding Natural Beauty

ARROW

Avoided, Reduced or Recovered in some Other Way (costs)

Assets

This cover-all term refers to all the pipework and equipment we run, including water mains, sewers, treatment works and pumping stations.

/B

BAG

Benefits Assessment Guidance (environmental benefits)

Blueprint for Water

A coalition of leading environmental organisations launched this document in 2006, setting out ten steps to sustainable water. The bodies included the National Trust, RSPB and WWF.

BP

Business Plan (five years)

/ C

C17

Competition 17 - The Water Act 2014 will allow 1.2 million businesses and other non-household customers of providers based mainly or wholly in England to choose their supplier of water and wastewater retail services from April 2017. Retail services include things like billing and customer services. At the moment only a limited number of non-household customers across England and Wales can choose their retailer. The new market will be the largest retail water market in the world. Customers will be able to shop around and switch to the best deal. Investors and retailers will have new opportunities for growth. And the environment will benefit from customers using new water efficient services. The UK Government is committed to delivering the new market. It set up ‘Open Water’, a single programme of work that brings together all of the key organisations to design and deliver the new market. These include the Department for Environment Food and Rural Affairs, Ofwat and Market Operator Services Limited – a private company owned by market participants. Thames Water has a programme of business readiness for Competition 2017, to ensure we are ready for market opening from April 2017.

Capex

Capital expenditure - Pay for new equipment and investment on the network. This includes building of new treatment works, laying new pipes and construction of new sources of self-generated renewable energy. This investment is known as capital expenditure or CAPEX.

CAPM

Capital Asset Pricing Model

CCD

Current Cost Depreciation

CCG

Customer Challenge Group

CCW

The customer watchdog for the water sector.

CIS

Capital Incentive Scheme - independent local groups of customer representatives and other stakeholders. They have been established for the Price Review process to provide challenge to water companies' business plans. The CCG should ensure that local and regional issues are properly considered and that the views of the company's entire customer base are taken into account.

CMA

Competition and Markets Authority - an independent non-ministerial department tasked with promoting competition for the benefit of consumers, both within and outside the UK. Its aim is to make markets work well for consumers, businesses and the economy. Water companies have the right to appeal Ofwat's Price Determinations to the CMA is they are unable to accept Ofwat's determination. The CMA can also be involved in competition investigations.

CMP

Customer Metering Programme

CPI

Consumer Prices Index - a measure of economic inflation based on a set series of goods and services set by the Office for National Statistics. This is the headline measure of inflation used in the Government's target for inflation.

CSAT

Short for 'customer satisfaction', this refers to the qualitative component of the SIM measure.

CSOs

Combined Sewer Overflows - these systems allow wastewater to overspill into watercourses when the sewer system reaches its capacity. CSOs can therefore cause pollution of rivers and streams.

D

DBP

Draft Business Plan

DCLG

Department for Communities and Local Government

Defra

Department for the Environment, Food and Rural Affairs - the Government department responsible for issues including the natural environment, environmental protection and pollution control.

Discharge consents

Each sewage treatment works has its own discharge consent, set by the Environment Agency, which defines the quality of treated effluent we are permitted to discharge to the relevant watercourse.

Dividends

Amounts paid to our shareholders to reward them for the capital that they have invested in the company.

Drinking water quality compliance

Our water is tested against 50 different elements to determine the microbiological, chemical, radiological and aesthetic qualities of it. These standards are outlined in the legislation to protect public health and our compliance is monitored by the DWI. Results from water samples collected at our treatment works, service reservoirs and customer taps are compared to these quality standards and any failures are then reported to the DWI.

DWI

Drinking Water Inspectorate - regulates drinking water quality in England and Wales.

E

EFG

Environmental Focus Group

ELL

Economic level of leakage - the level at which it would cost more to make further reductions than to increase supply or reduce demand by other means – for example, by developing a new water source. The calculation takes into account environmental and social costs, as well as financial ones, and can therefore vary with time and between areas.

EA

Environment Agency - regulates our impact on the natural environment – for example, by controlling how much water we can take and the quality to which we must treat sewage.

F

FBP

Final Business Plan - the version we will submit to Ofwat ahead of the Price Review. They will use this to decide what price we can charge our customers.

FD

Final Determination - Ofwat's final decision on what a water company can spend on improving and maintaining its assets over the following five years. This also sets the upper limits for the bills it can charge its customers during that period.

FPL

Future Price Limits

G

Gearing

Mix of debt and equity

Gearing ratio

Debt/Regulatory Capital Value

GIS

Geographical Information System

H

Household premises

Premises in which, or in any part of which, a person has his home (Defined in the Water Industry Act 1991 and Ofwat guidance on eligibility)

I

IDoK

Interim Determination of k

IMD

Index of Multiple Deprivation

Infrastructure and non-infrastructure assets

* Infrastructure assets are mainly our below-ground assets, such as pipes, water mains, sewers, dams and reservoirs.
* Non-Infrastructure assets are those mainly found above ground, such as water and sewage treatment works, pumping stations, laboratories and workshops.

IRC

Infrastructure Renewals Charge

Instrument of Appointment

Water companies operating the public water networks hold appointments as water undertakers, and those operating the public wastewater networks hold appointments as sewerage undertakers, for the purposes of the Water Industry Act 1991. They also supply water and wastewater services direct to household and non-household customers who are connected to their networks.

K

k

Annual real price adjustment to RPI. This refers to the above-inflation (RPI) price rise a water firm is allowed to charge customers.

L

LSOAs

Layer Super Output Areas

M

MCA

multi criteria analysis

MOSL

Market Operator Services Ltd - The Water Act 2014 established the framework to create a retail market for non-household water and wastewater customers in England, which the ‘Open Water’ programme is due to deliver in April 2017. Delivery of the programme is the responsibility of Defra, Ofwat and Market Operator Services Ltd (MOSL). The partners are working together closely to ensure that the market opens on time, within budget and operates effectively. MOSL is responsible for delivering the systems, processes and interfaces required to enable the new market to operate. Key to this is the core ‘Central Market Operating System’ (CMOS) and the rules and codes on which the market will be based. MOSL has also taken on a number of significant responsibilities from Open Water Markets Ltd (OWML), which was wound down in July 2015. MOSL was created in October 2014 as a private business, limited by guarantee. It is owned by its members, currently 24 of 31 eligible companies.

MZC

Mean zonal compliance – a measure of water quality

N

Natural England

The Government’s advisor on the natural environment, whose role includes managing wildlife and protecting Sites of Special Scientific Interest.

NEP

National Environment Programme - list of environmental improvement schemes that ensure that water companies meet European and national targets related to water.

O

ODI

Outcome Delivery Incentive - a collective term for the financial incentives – positive and negative – that Ofwat has applied to the delivery of our five-year plan. ‘Rewards’ allow us to charge more over the next five years (in this case, 2020-2025), while ‘penalties’ allows us to charge less. Some of these ODIs measure performance in each of the five years of our current plan, while others apply only to the whole five years.

ODI Cap

Top of reward

ODI Collar

Bottom of penalty

ODI Deadband

Where neither reward nor penalty applies

Ofwat

The economic regulator of the water and sewerage industry in England and Wales.

OPA

Overall Performance Assessment - This was a former measure of water company performance, devised by Ofwat, which reflected the broad range of services we provided to customers. This has now been replaced by SIM – the Service Incentive Mechanism.

Open Water

A national programme of work that brings together key organisations to deliver changes which, from April 2017, will allow all non-household customers in England and Wales to choose their water and wastewater retailer.

Opex

Operating expenditure - Pay for the day-to-day operations of our business, such as operating and maintaining our network and treatment works, paying our staff and our energy bills.

Outcomes

These are the basic long-term services and benefits a water company aims to provide for customers in their current five-year plan and beyond.

OWML

Open Water Markets Ltd - a programme set up by the UK Government to deliver the competitive market by April 2017. The key organisations responsible for delivering the new market are Defra, Ofwat and MOSL. The programme was overseen by Open Water Markets Limited (OWML) until August 2015, when its activities were transitioned into MOSL and Ofwat.

P

PAYG

Pay As You Go which is ratio of operating expenditure (fast money because recovered in year incurred) and capital expenditure (slow money because recovered over the life time of the asset): for SEW 59/41

PCC

Per capita consumption (SEW highest)

Performance commitment

Outcome performance commitments that reflects customers’ views and priorities of service.

Pitt Review

After the 2007 floods that swamped 55,000 homes, the Government commissioned the Pitt Review to ensure it didn't happen again. It was chaired by civil servant Sir Michael Pitt.

PE

Population Equivalent - served by a sewage works represents the local population, plus a measurement of industrial effluent, expressed as an equivalent number of people. For example, effluent from a local factory might equal that produced by 5,000 people. If the works also treats sewage from 2,000 residents, its PE would be 7,000.

Price Review

This process takes place every five years for water companies in England and Wales. Ofwat reviews water companies' business plans and sets the upper limits they can charge their customers over the next five-year period. As part of this, it sets the amount of money companies can invest in their assets over that period, after scrutinising their business plans to ensure value for customers' money.

PR09

Periodic or Price Review in 2009 for 2010-2015

PR14

Periodic or Price Review in 2014 for 2015-2020

PR16

2016 household retail price review - In the 2014 price review, Ofwat set separate price controls for 2015-20 on each of the following activities; Wholesale water, Wholesale wastewater, Household retail and Non-household retail. The form of the non-household retail price controls was designed to protect customers for the two years ahead of market opening and to provide backstop protection and a comparison point for customers once the market is open. Ofwat is reviewing the non-household retail price controls ahead of market opening in April 2017 via the 2016 household retail price review.2016 household retail price review.

PR19

Periodic or Price Review in 2019 for 2020-2025 - the process that will set prices for the period 2020 to 2025. The last Price Review was held in 2014 and was therefore known as PR14.

PSR

Priority Services Register

R

RAGS

Regulatory Accounting Guidelines

RAV

Regulatory Asset Value

RBR

Risk-Based Review - As part of the PR14 price review process, Ofwat carried out a risk-based review of business plans. The risk-based review contained tests for high quality business plans in key areas. In its Water 2020 consultation, Ofwat has indicated it will adopt a similar approach for PR19.

Resilience

Ofwat has a new primary duty on resilience in the 2014 Water Act (specifically to “further the resilience objective”). Resilience has been defined as “the ability to cope with, and recover from, disruption, and anticipate trends and variability in order to maintain services for people and protect the natural environment now and in the future”.

Retail

This term refers to any water company activities that take place once water has passed to the customer’s side of a property boundary. These include billing, payment handling, debt management, meter reading and handling billing-related calls.

RCM

Revenue Correction Mechanism

RCV

Regulatory Capital Value (assigned by government at time of privatisation) represents the amount that we have invested that customers have not yet paid for. This therefore represents the total capital value that has been invested.
- Decreased by depreciation (logging down)
- Increased by RPI and investment (logging up)

RORE

Rate Of Return on Equity

RPI

Retail Prices Index - an alternative measure of economic inflation to CPI. RPI is no longer an official National Statistic, due to statistical flaws in the calculation of RPI. However, it is still widely used, particularly in relation to index-linked gilts.

S

SAC

Special Area of Conservation (habitat)

SCP

Small Company Premium

SDS

Strategic Direction Statement - Our Strategic Direction Statement is our 25-year plan. It outlines how we will respond to future challenges, such as climate change, leakage and the need to conserve water.
- No longer required by Ofwat
- For SEW: “Clear Water”

SEA

Strategic Environmental Assessment (of WRMP)

SELL

Sustainable Economic Level of Leakage
- Ofwat report by Strategic Management Consultants (Oct 2012)

SEMD

Security and Emergency Measures Directive (investment required to comply with DEFRA Advice Notes)

SIM

Service Incentive Mechanism - introduced by Ofwat to replace the OPA as a measure of the service customers experience from their water company. It is now in its second year.
• A quantitative measure awards penalty points for issues ranging from callers to our customer centre receiving
an engaged tone, through to complaints.
• A qualitative measure is calculated via telephone interviews to assess the satisfaction of customers who have
contacted us to resolve queries.

Social tariff

A social tariff is a small increase in bills for the majority of customers, which reduces charges for those who most struggle to pay.

SOR

Statement Of Response (on submissions to WRMP)

SOSI

Security Of Supply Index (target headroom)

SPA

Special Protection Area (birds)

SSSI

Site of Special Scientific Interest (SEW has 25)

STW

Sewage treatment works.

SuDS

Sustainable drainage systems encourage rain to soak into the soil, rather than run into our sewers – examples include grassed roofs and porous paving.

/ T

Totex

Total expenditure - the mechanism, introduced in PR14 (price review 2014) for planning and reporting capital (eg. buying a new car) and operational (repairing your old car) spend. The object is to achieve the optimum combination to deliver the required business plan outcomes. It applies to both water and waste (i.e. our wholesale business) but not to retail.

TUB

Temporary Use Ban (i.e. hose pipe ban)

/ U

UKWIR

UK Water Industry Research - provides a framework for the procurement of a common research programme for UK water operators on "one voice" issues.

Water 2020

An Ofwat work programme, which aims to establish what will be required of water and sewerage companies in the 2019 Price Review.

Water UK

The industry body representing member companies' interests.

WACC

Weighted average cost of capital - The RCV is funded partly by shareholders (equity), and partly by borrowing (debt). When we borrow money we need
to pay interest on the debt, and shareholders require dividends to reward them for the capital they have invested in the company. The WACC reflects the appropriate interest rate and return to shareholders, weighted by the appropriate proportions of debt and equity.

WASC

Water and sewage company – provide both drinking water and sewerage services.

Water Act 2014

The water industry supplies goods and services which are essential to health, wellbeing and economic stability. These services are coming under increasing pressure as a result of a growing population and a changing climate. To meet these challenges, UK Government saw the need to change the way water is managed. Its aim was for water companies to be more innovative, more efficient and more attentive to what their customers want. The ‘Water white paper’ and Water for life: market reform proposals sets out the plans to deal with the challenges facing the water industry, as well as encouraging better customer service and protection for the environment. To implement some of the plans in the White Paper, the Water Act 2014 received Royal Assent on 14 May 2014.

WFD

Water Framework Directive - for England and Wales is a major piece of European legislation to improve and protect the quality of inland, estuary and coastal waters.

Wholesale

This term covers all water company activities that take place before water passes the customer's property boundary – resources management, abstraction, treatment, distribution (water and sewer networks), sewage collection, transportation, sewage treatment, sludge disposal and energy from waste.

WOC

Water only company - provide drinking water but not sewerage services.

WRC

Water Research Council

WRMP

Water Resources Management Plan - Every five years we review and update our Water Resources Management Plan (WRMP) that sets out how we will maintain a balance between the demand for water in our supply area against the available water supplies, while ensuring the environment is protected. We submit the plan to the Department for Environment, Food and Rural Affairs (Defra) and it is open to a public consultation prior to publishing.
- SEW sent out to 1500+ but only about 100 responses (80 about reservoir)
- Last time EA challenged those of SEW (public inquiry), Thames (plan rejected) & Portsmouth (plan withdrawn)

WRSE

Water Resources South East (England) - 8 companies - a group made up of water companies, regulators and stakeholders. Its aim is to better co-ordinate and integrate water resources planning across the region, ensuring the efficient development of a best-value supply strategy over the next 50 years and beyond. WRSE has close links with the equivalent Water Resources East Anglia (WREA) group.
- Chaired by Howard Davidson
- Senior SEW representative: Paul Butler
- Usual SEW representative: Lee Dance

WRZ

Water Resource Zone - 8 in SEW

WTA

Willingness to accept

WTP

Willingness to pay

WTW

Water Treatment Works

south east water

Pure know$h_2$ow