

2018 - 2019



Yorkshire Forum for Water Customers

A statement from the Yorkshire Forum
for Water Customers on Yorkshire
Water's performance





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Background

This report is presented by the Yorkshire Forum for Water Customers to Ofwat – the economic regulator of the water industry

We, the Yorkshire Forum for Water Customers (the forum), were set up in 2012 and are made up of key groups in Yorkshire who together, represent Yorkshire Water's customers.

The forum includes the following people.

Andrea Cook OBE Independent Chair of the Yorkshire Forum for Water Customers

Andrea chairs the forum, making sure that Yorkshire Water are properly challenged over the quality of their involvement with customers and how they interpret customer views and include them in their business plan. She is responsible (on behalf of customers) for overseeing the reports on developing Yorkshire Water's business plan.

James Copeland NFU North East Environment & Land Use Adviser – National Farmers Union

The NFU are the only organisation that champions all farmers and growers in England and Wales. They give them a voice and protect their way of life, now and in the future.

The NFU's purpose is to champion British agriculture and horticulture, campaign for a stable long-term future for British farmers and to get the best possible deal for their members. Their strength is in their numbers. With over 55,000 members, they are heard when it counts locally, nationally and internationally. Every member matters and makes the NFU stronger. And, a stronger NFU can be more influential, achieve more and have a more powerful voice, covering two-thirds of the agricultural land in England and Wales.

Janine Shackleton Policy Manager – Consumer Council for Water

The Consumer Council for Water (CCWater) is the independent organisation representing household and business customers across England and Wales.

It was set up in 2005 to make sure that customers' interests are at the heart of decision-making in the water industry.

It works with consumers to listen to their views, answer their enquiries and sort out their complaints.

Tom Keatley Senior Adviser Water and Land Use – Natural England

Natural England is the Government's adviser for the natural environment in England, helping to protect England's nature and landscapes for people to enjoy and for the services they provide. It is sponsored by the Department for Environment, Food and Rural Affairs and is responsible for making sure that England's natural environment (including its land, plants and animals, freshwater and marine environments, geology and soils) is protected and improved.

Alistair Maltby
Operations Director – The Rivers Trust

The Rivers Trust oversee a network of over 50 local charities which all work to protect, promote and improve our rivers, for both people and wildlife.

Dave Merrett
Independent member

Dave acts as an independent member of the forum, on which he previously represented Yorkshire local authorities (2012 to 2015). He is a chartered civil engineer and member of the Institution of Civil Engineers. He is currently employed part time by Amey Consulting and Rail as a principal engineer and is working on Network Rail's 2014-2019 London, North Eastern and East Midlands Bridge Assessment contract.

Chris Griffin
Independent member

Chris acts as an independent member of the forum. From 2017 to 2019 he represented Citizens Advice. He continues to work in the charitable sector, with a focus on the welfare-benefit system and debt advice. He has been responsible for examining quality assurance, designing legal training and managing the day-to-day running of charities across the Midlands and Yorkshire. Recently, he has worked on programmes focused on the social divides created by people's ability to use the internet, social media and so on, and the huge inequalities this can create.

Currently Chris is employed as the Operations Manager of Citizens Advice, Bassetlaw. Citizens Advice is a charity that helps over three million people each year to solve the legal problems they are facing in their lives.

Pam Warhurst
Chair – Pennine Prospects Ltd

Pam Warhurst, CBE is a community leader, activist and environmental worker. She is best known for founding Incredible Edible, in Todmorden, West Yorkshire.

As well as chairing Incredible Edible, Pam currently chairs a landscape partnership, a registered practice of landscape architects, urban designers, ecologists and arboriculturists who, together, bring an integrated approach to design, plan and manage the outdoor environment in the north of England, Pennine Prospects. It is in this role that she serves on the forum.

She has led or had senior board positions in a number of organisations, including the leader of a local authority, chair of a hospital trust, deputy chair of the Countryside Agency and chair of the Forestry Commission of Great Britain.

Pam has also served with several regeneration organisations and social enterprises.

In 2005 she received a CBE for services to the environment.

Melissa Lockwood
Account Manager – Environment Agency

The Environment Agency work to create better places for people and wildlife, and support sustainable development. They are one of the water companies environmental regulators and, by law, all water companies must have them as a member of their customer challenge groups (CCGs). They use the opportunity of working to review and challenge Yorkshire Water's next five-year plan so that they achieve the best-possible outcomes for both customers and the environment.

Melissa has more than 30 years' experience in the Environment Agency in a range of roles, and is also a member of the Northumbrian Water Forum.

You can find out more about the Customer Forum members here:
yorkshirewater.com/customerforum

Our role

We, the Yorkshire Forum for Water Customers ('the forum'), challenge Yorkshire Water's business plans (on behalf of customers) and how they plan to deliver them. We make sure that Yorkshire Water fully consider customers' views and priorities through consultation, and that they deliver the services that they want. We also meet regularly to monitor Yorkshire Water's performance against the commitments they have made to customers (performance commitments) for the period 2015 to 2020 and make sure there is an appropriate level of involvement with us at the forum. We have strengthened the forum for Yorkshire Water's 2020 to 2025 business plan development by including a wider range of organisations.

We have an important role in helping the industry regulator, Ofwat, scrutinise Yorkshire Water's business plans. We are responsible for:

- challenging the quality of the process for involving customers and asking for their views;
- commenting on the quality and depth of customer research;
- challenging how well the proposed performance commitments, and the penalties and rewards received for missing or achieving these commitments, reflect customers' views and priorities;
- monitoring progress against the performance commitments set out in the previous business plan; and
- providing an independent report to Ofwat at the same time as Yorkshire Water send their business plans and proposed prices to them.

The annual performance report, including the customer summary version, has been presented to us. We are pleased to report that we consider the annual performance report to be accurate and, complete, and that it has been summarised in a customer-friendly way. Here is a link to the report and performance summary. yorkshirewater.com/reports

We meet every month. You can read and download the minutes from our previous meetings at yorkshirewater.com/customerforum.

Reflection on the year 2018/2019

Over the past year we have continued to monitor and challenge Yorkshire Water to make sure that their publications and reports are accessible to all customers, including those who have learning and other disabilities. Yorkshire Water announced that they had gained the Crystal Mark for several important pages of their website – the Yorkshire Forum for Water Customers, as well as their performance and reporting web pages. We have seen a positive shift in their culture. They are more open and involved in more meaningful consultation with us and their customers. We have become part of their decision-making.

Yorkshire Water have a long-established reputation in providing services to customers who find themselves in vulnerable circumstances. They have responded to the challenge to go even further. They will achieve this through the work of their safeguarding officer, partnership-based approaches and proposed increased financial contributions from the company to support those most in need. We welcome Yorkshire Water's proposal to create a 'panel of experts', which will move from area to area to support the company's work in helping vulnerable customers. We have encouraged Yorkshire Water to promote what they do to prevent customers falling into debt, the range of payment options available and what they will offer their customers through their social tariff. This is a special tariff which will help reduce the bills of customers on low incomes. We continue to advise Yorkshire Water to invest in measures to deal with affordability of customer bills and vulnerability as a priority.

We have held discussions with Yorkshire Water about how Yorkshire Water is funded, Ofwat refer to this as gearing. We have discussed how to achieve a balance of sharing the benefit of performance between shareholders and customers. We are pleased to see that they have responded positively to Ofwat's financial challenges.

To improve transparency and strengthen trust and confidence, they have confirmed that any future changes to executives' pay will be published in the annual performance report. They have also made sure that they have adopted Ofwat's expectations on dividends, as set out in the publication 'Putting the sector in balance', and they are more open about their corporate and financial structures.

Rainfall in the Yorkshire region has been very low since April 2018. Yorkshire Water kept us updated on the drought situation and told us that customers had been told about possible changes in the taste of their water as a result of using the water supply grid, the grid is a network of pipes that allows Yorkshire Water to move water around the region. They also sent water efficiency messages to their customers using various communication channels.

Yorkshire Water continue to invest in areas identified as a priority by their customers – most recently these priority areas have included leaks, supply interruptions and sewer flooding.

We continue to challenge Yorkshire Water in achieving a high level of performance. Currently pollution and internal sewer flooding do not reach the targets. They have told us that for both measures there is significant planned investment to achieve the performance levels needed for 2020/2021 and that they are carrying out reviews to understand why they have been slow to improve their performance in these areas. We have considered the need to deal with pollution incidents better and have been well briefed at our meetings by representatives from the Environment Agency.

We did express concerns about Yorkshire Water's ability to achieve the target for leaks. Because of this, the target for dealing with leaks has continued to be a main item on our meeting agenda. Yorkshire Water have given us a detailed account of how they will deliver their target for leaks. They are using new methods to find leaks, using information better, carrying out staff training, increasing the number of engineering staff and supporting customers to prevent leaks through their approach to repairing leaks on customer pipes.

The company is still on track to deliver its plans and initiatives. They have assured us that they are committed to achieving the best-possible performance, focusing on meeting their 2015 to 2020 performance commitment targets.

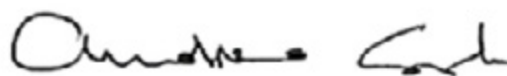
Yorkshire Water's independent assurance provider, Halcrow, came to one of our meetings to present information on their performance for 2018/2019. They have met 21 out of 26 of their performance commitments and are currently forecasting a reward of over £60 million for improving performance against the promises they made to their customers for the period 2015 to 2020.

We are satisfied that we have received an appropriate level of assurance on the results in the annual performance report and that we have had the opportunity to challenge and review the information.

We have continued to challenge Yorkshire Water during the development of their business plans to make sure that the drive to be more efficient will not have a negative effect on the services they provide to customers. We are concerned that the efficiencies proposed by Ofwat could undermine some of the service improvements Yorkshire Water plan to make to reflect their customers' priorities and so we have told Ofwat about our concerns.

We are satisfied that the members of Yorkshire Water's Board want to provide a high-quality service to their customers at the lowest possible cost. This includes protecting those in vulnerable circumstances. The business plan now proposes stable bills over the next five years.

For more information about us, and minutes from our meetings, please visit yorkshirewater.com/customerforum



Andrea Cook OBE
Chair, Yorkshire Forum for
Water Customers

