

**Yorkshire Forum for Water Customers
Minutes of Meeting
13 November 2019**

Attendees:

Andrea Cook	Chair
Dave Merrett	Independent Member
Chris Griffin	Independent Member
Wendy Kimpton	Yorkshire Water
Kirstin Hutchinson	Yorkshire Water
Paul Chapman	Yorkshire Water
Rebecca Dovener	Yorkshire Water

Apologies:

Alistair Maltby	The Rivers Trust
Janine Shackleton	Consumer Council for Water (CCW)
Roger Martin (on behalf of Melissa Lockwood)	Environment Agency (EA)
Pam Warhurst	Pennine Prospects
Steve Foers	Citizens Advice
Tom Keatley	Natural England
James Copeland	National Farmers Union

Para
No

1) Welcome

- a) The Chair welcomed Forum members to the meeting.
- b) Apologies were noted as above.

2) Minutes and actions of the last meeting

- a) Minutes from the meeting on 18 September 2019 were approved.
- b) Actions were reviewed and updated.
- c) The company provided an update on company structure and director changes.
- d) The Forum highlighted their concerns about the scope of the Land Strategy document. Members on the Forum have been invited to the Land Strategy event scheduled for December 2019.

Action 1: Add Land Strategy to a future agenda for a thorough review.

- e) The company need to arrange a call in December to discuss the Final Determination. A full update on Final Determination would be presented by the company in January 2020.

Action 2: Company to schedule a telephone call in December to discuss the Final Determination.

Action 3: Company to add Final Determination as an agenda item to the meeting in January 2020.

- f) The company discussed the planned meeting with Unison; the Forum stated that members were happy for the Forum response to the Draft Determination to be shared with Unison.
- g) A discussion was held on the Draft Determination. In particular the company advised of the penalty exposure on current figures. The company will send a final letter Ofwat detailing the company concerns and summarise glide paths and issues around financeability.

3) Update on Company Monitoring Framework (CMF)

- a) The company provided an update on the company monitoring framework (CMF).
- b) The CMF is the tool Ofwat uses to assess the 17 water companies approach to assuring the quality of information they provide about their performance to customers. CMF was introduced in 2015 to encourage companies to conduct high quality assurance of the information that they produce. It is considered that the CMF has helped raise standards of company reporting and assurance.
- c) Ofwat is evolving its approach to performance reporting; an updated framework will be launched in January 2020 as part of Ofwat's new strategy. Ofwat will not publish a CMF assessment in November 2019.
- d) Ofwat expects all companies to adopt as minimum the requirements established by the 'targeted' category. The Forum asked what the justification is for Ofwat not to re-assess companies in November 2019. The company stated that the assumption is all companies should meet a standard of 'targeted' at least. Ofwat will continue to monitor individual company's but will not publish a report. If Ofwat feels that a company is failing they will take action.
- e) Since publishing the APR the company has drafted the Risks, Strengths and Weaknesses statement and drafted the Assurance Plan.
- f) The Risk, Strength and Weakness statement identified the following areas for scrutiny; Performance Commitments (PCs) where target was missed or close to been missed; PCs that had attracted queries from Ofwat queries; the SAP implementation programme; and accessibility, awareness and transparency.
- g) The Risk, Strength and Weakness (RSW) statement and the Draft Assurance Plan would be published by 30 November 2019. The company has created a one-page summary for the RSW statement, which had obtained a Plain English Crystal Mark.
- h) The summary was shared with the Forum. The Forum noted that the text of the summary document was small and asked if it was possible to spread it over two pages to make it more 'reader friendly'. The Forum also asked if the document could be published on the website.

Action 4: Company to consider making text of one-page summary bigger and publish the document on the website.

4) Update on the Regulatory Reporting Changes

- a) The company provided an update on the AMP7 regulatory reporting changes.
- b) The two main changes are the in-period ODI's and the quarterly reporting.
- c) In-period ODI's mean that they are applied during the five-year price control rather than at the end of the period. They increase the power of incentives by bringing a reward or penalty closer in time to the actions. They are payable in the first year of the AMP, with payments made by adjustments to revenue from the third year. The company has 27 out of 43 performance commitments that are in-period and 1 that is an end of AMP ODI in AMP7.
- d) Three companies had in-period ODI's in the last AMP, the Forum asked why the company didn't do this. The company stated that there was no appetite for this from the customers or company.
- e) The company must provide Ofwat with whatever information they may reasonably require for the purpose of making a determination, including but not limited to:
 - Explanation if in-period ODI's differ from what was published in the APR;
 - Evidence to support the claim if it is not for the full net aware or penalty implied by the automatic operation of the in-period ODI;
 - Explanation of the impact the reward or penalty claim will have on customer bills;
 - Justification for applying any mitigating factors;
 - Assurance on its judgement that a mitigation factor applies and how it has been applied; and
 - Submit the completed version of K factor model.

The Forum was shown an extensive list.

- f) Other supporting information used by Ofwat included; annual performance report (APR), risk, strengths and weaknesses statement, draft assurance plan, final assurance plan and assurance summary.
- g) The promise the company made for quarterly reporting was 'The Board will publish a quarterly customer focus update on how it is progressing and delivering on its performance commitments and outcome projections on its enhanced performance webpage'.
- h) Breaking down the above commitments means customers will receive:
 - quarterly performance updates starting in July for Q1;
 - customer focused updates – diagrams, plain English, transparent;
 - progressive and delivering – assumption that progress will be provided for all 43 PC's;
 - outcome projections – simply 'on-track' with achieving target for the year;
 - enhanced performance webpage – enhanced definitions, performance page refresh in July 2019 and direct content.
- i) Two options are being considered; option 1 is an interactive PDF (if you hover with your mouse more information will be available); option 2 is an interactive dashboard on the website with infographics and links to more information.

- j) The company would like to provide a single diagram that names the performance commitment, target and what the actual result was (this will update quarterly) and finally an indicator whether the company is on track. For example, leakage – (target less than or equal to 292.1ml/d); (result - 289.8 ml/d, indicator ticked). It is important that the company also provides:
- definition of the PC;
 - the reporting period – calendar year/ financial year/ end of AMP;
 - a key for any symbols used; and
 - icons/graphics for PCs.

The company highlighted that the 'story' may change over the year and it was discussed how this could impact on trust if it changed. The company is mocking up information from 2019/20 to review the impact of this.

- k) The timeline for development is:
- Build prototype – November 2019 to mid-February 2020
 - Project review – mid-February – mid-March 2020
 - Customer engagement on prototype - mid-March to mid-April 2020
 - Create final prototype – April – June 2020
 - Final prototype complete – start of July 2020
 - Live data collection – July – August 2020
 - Create final product – August 2020.
- l) For development of the quarterly reporting the company will continue to engage with data providers across the business to understand the information available on a quarterly basis, complete risk assessments and mock ups, design the process for collating and assuring the data and work with customers to design the end product.
- m) The Forum asked the company to consider what involvement it wanted from Forum members. The company advised that this would be explored with the Forum at a later date.

Action 5: Company to add Quarterly reporting to a future agenda to discuss Forum engagement.

- n) In relation to the in-period ODI's the company will need to understand the information required and ensure this is available throughout AMP7. The company will design the process for collecting and assuring the data and creating the overall submission and create the full project plan.

5) Update on website

- a) At the last meeting it was noted that the Yorkshire Forum for Water Customers webpage was out of date. The Forum concluded:
- Links to documentation were broken or missing
 - Trust and confidence could be affected by the missing documentation
 - Personal profiles were outdated and needed updating
 - Pictures of the Forum members needed to be provided
- b) The company acknowledged the impact of the website being outdated could affect the relationship between the Forum and members of the public and acknowledged it was a regrettable error. The IT infrastructure was being transferred across from one platform to another during an update to secure the company website. As a result, a 'failsafe' control was implemented on the Forum area of the website, it is not known what caused this. After it was brought to the company's attention a fix was implemented and as a result the Forum section of the website was down for four days.

- c) The Forum asked why a contact within the Forum was not notified of the website issue. The company acknowledged that the internal team that manages the website did not know who the stakeholders were. Following this a process will be implemented to ensure that a nominated Forum member liaises with the website team to ensure the Forum are kept up to date.

Action 6: Nominated Forum member to work with the Company to review and update webpage as discussed.

6) Service Delivery Report – Ofwat

- a) The Ofwat Service Delivery Ofwat report was discussed. The Forum asked what aspirations the company had after seeing the Service Delivery Report. The company told the Forum the aspiration remains unchanged, it is to become an Upper Quartile company and improve services in key indicators.

Next meeting

13 December 2019, DoubleTree Hilton, Gran Canary Wharf

Actions

Summary of actions: 14 June 2018

No	Action	Comment
4	<p>Company to project the level of investment and timescales to display how discolouration will be reviewed to help the Forum understand the plan and resources.</p> <p>Post meeting update 06/06/2019: To be reviewed when received Final Determination (FD).</p>	Ongoing

Summary of actions: 13 December 2018

No	Action	Comment
3	<p>Company to consult the Forum on the risk analysis regarding pollution and ISF alongside the EA and CCW (in 3 months' time).</p>	Ongoing
10	<p>Forum member to share letter from local community and EA response.</p> <p>Post meeting update Will be presented to Forum in October 2019.</p>	Ongoing
11	<p>Company to return to the Forum in July with an overview on CSO discharges across the region.</p> <p>Post meeting update (22/07/2019) Deferred until October 2019.</p>	Ongoing

Summary of actions: 24 July 2019

No	Action	Comment
1	Company to circulate the bill impact from WINEP.	
2	Company to share with the environment sub-group detailed environmental papers and schedule a call, if necessary, ahead of the sub-group meeting in September 2019.	
4	Company to confirm how the reward for pollution will be used.	
5	Company to circulate the result from the blockages campaign.	
6	Company to confirm with forum engagement plan for tenants on company land.	
7	Company to circulate slides presented at session.	

Summary of actions: 20 August 2019

No	Action	Comment
4	Company will send a communication regarding totex and bill impacts.	Outstanding
6	Company to set up a meeting with a number of Forum members to discuss initiatives, speed and products of National Trust.	Ongoing

Summary of actions: 18 September 2019

No	Action	Comment
1	Company to provide the Chair and Forum members with a briefing paper detailing the changes to the WINEP period.	
2	Company to share Economic Insight paper with Forum members	
3	Company to share a briefing note on the £25m efficiency in the WINEP programme (see action 1).	
4	Company to circulate the report from the energy trust.	
5	Company to circulate draft, response and evidence to the Forum	

Summary of actions: 18 October 2019

No	Action	Comment
1	Company to review the Yorkshire Forum section of the website to ensure the documentation is up to date and that the links work correctly.	Complete
2	Company and Chair will draft a holding response for all future queries.	
3	Chair to draft a response to the outstanding query.	Complete
4	Company to re-circulate the risk, strength and weakness statement	Complete
5	Company to circulate documentation to the Forum.	Complete
6	Forum to send questions to company.	Complete
7	Company to present the vision and value work to return to a future Forum meeting.	Noted

Summary of actions: 13 November 2019

No	Action	Comment
1	Company to add Land Strategy to a future agenda to have a thorough review.	
2	Company to schedule a call for Final Determination.	
3	Company to add Final Determination to the January 2020 agenda.	
4	Company to consider making text bigger on one-page summary and publish the document on the website.	
5	Company to add Quarterly reporting to a future agenda to discuss Forum engagement.	
6	Forum member to work with the Company to review and update webpage as discussed.	