

Yorkshire Forum for Water Customers
Minutes of Meeting
21 Mar 2024
Microsoft Teams Meeting

Attendees:

Andrea Cook	Chair
Chris Griffin	Independent Member
Dave Merrett	Independent Member
John Walker	Consumer Council for Water
Kursh Siddique	Independent Member
Steve Grebby	Consumer Council for Water

Apologies:

Melissa Lockwood	Environment Agency
Tom Keatley	Natural England
James Copeland	National Farmers Union

Guests:

Donna Hildreth	Yorkshire Water
Richard Hepburn	Yorkshire Water
Amanda Parker	Yorkshire Water
Mark Tinsdeall	Yorkshire Water
Michael Cotter	Yorkshire Water

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1. Minutes

- a) Clarification was sought about the Your Water, Your Say (YWYS) meetings. The Company explained that there have been two meetings as part of the regulatory process; one before the submission of the business plan to Ofwat and one since. Ofwat is now having its own YWYS events where, following publication of the Draft Determination, it will present a summary of its decisions to customers and stakeholders. Ofwat will have two of these events, one for England and one for Wales. Separately to this, The Company wish to have an event to engage with customers outside of the regulatory framework and are conducting research to understand how customers would like to see this happen.
- b) The Company questioned whether the events held by Ofwat would be CCW/Ofwat joint events like the last one. CCW agreed to seek clarification.
- c) Following a few small changes the February minutes have been signed off and will be published accordingly.

In Section 3 - Update from Environment Subgroup,

- i. Point b was amended to read "Defra has been making enquiries about deferring a couple of items..."
- ii. In Point j, sited was corrected to sighted.

2. Actions

- a) Open and in-progress actions were reviewed.
- b) Actions from January:
 - i. *The Company to circulate the outcome of the Horizon scanning with details of how this will feed into Customer Research and Business Planning.* This will be brought back to the Forum in the next couple of months. Remains **open**.
- c) Actions from February:
 - i. *The Company to share a breakdown of Ofwat queries by subject matter.* This has been circulated. **Closed**.
 - ii. *Circulate the slides shared by CCW at the February meeting.* **Closed**.
 - iii. *CCW to provide further evidence on the ramped billing recommendation.* **Open**.
 - iv. *The Company to report back to The Forum with details of any independent observer and the criteria for the projects' inclusion [Working with Others PC].* Awaiting an update. **Open**.
 - v. *The Company to share data tables detailing benefits with The Forum [Working with Others PC].* Awaiting an update. **Open**.

- vi. *Add an Environmental subgroup agenda item – deep dive Working with Others PC schemes, prioritised by spend.* Added to the draft agenda as a standing item. **Open.**
- vii. *The Company to share the evidence pack for Inclusive Customer Service with The Forum.* Pack shared and presented to the Affordability and Vulnerability subgroup. **Closed.**
- viii. *The Company to ask whether the research agency could share details of the expert panel directly with The Forum [Inclusive Customer Service PC].* Permission wasn't initially received from participants for details to be shared, however, permission will now be sought at each interview. Company names will be shared with The Forum. **Closed.**

d) New actions for March:

- i. **Action 1:** The Company to send the research for enhancement cases and cost adjustment claims for smart metering and water mains replacement.
- ii. **Action 2:** PSR Satisfaction tracking results to be shared at the Affordability & Vulnerability subgroup.
- iii. **Action 3:** The Company to keep The Forum updated on Period Products activity.
- iv. **Action 4:** The Company to share the results of the Exploring Changing Expectations campaign development.
- v. **Action 5:** The Company to confirm whether there were any clean water initiatives to improve sustainability, e.g. grey water use solutions or water saving fittings [Creating Value from Waste PC – redevelopment of land for housing].
- vi. **Action 6:** The Forum to confirm their ability to provide assurance on the Creating Value from Waste PC.
- vii. **Action 7:** Details of the newly proposed LORI schemes to be circulated to the Environment sub group for consideration offline, with a view to approval.
- viii. **Action 8:** The Company to pass on CCW's feedback on the internal review into low/no water incident at Goole not being shared.

3. Update from Affordability and Vulnerability subgroup

- a) This was a scene-setting meeting. The subgroup chair noted the firm connections with The Company and the suitability of attendees.
- b) Standing items for future meetings were set
 - Operational summary

- Insight
 - Projects
 - Delegation of items from the main Forum
- c) Items of particular interest were noted
- Social tariffs
 - Customer engagement – in particular extending the reach to under-represented communities
- d) Three Forum members attending; the invitation has now been extended to CCW and Citizens Advice Rotherham.

4. PR24 Business Plan update

- a) The Company provided an update on the Ofwat outbound query process. The rate of queries coming in has slowed; 194 queries have now been received. This means The Company is mid-pack compared with other companies. As the recently shared breakdown by topic shows, the subjects covered are broad. Topics with most queries are WINEP and WRMP. The process continues to run.
- b) Work is continuing in preparation for the Draft Determination (DD). Focus is being given to areas where the information may need to be refreshed.
- c) Although unconfirmed, the DD is likely to be published on 12th June. And it is likely there will be an 8 week consultation. This points towards a response being due in mid-August. An update on the DD would be brought to June's Forum meeting.
- d) Ofwat has asked that all companies provide an update on their website regarding any changes to their business plan since it was submitted in October. For example, to provide updates where data tables have been resubmitted or where programme phasing has changed. Totex in The Company's plan was submitted as £7.8bn for the 5 year period, plus DPC schemes, which has been amended to £7.6bn as a result of changes to WINEP and WRMP phasing. These updates should be published by 28th March, including an update on the impact on customer bills. This will mean information published and thereby accessible to customers will match the update provided to Ofwat at the end of January.
- e) A Forum member asked for clarification of the changes to Totex values. The Company explained that the change from £7.8bn to £7.6bn related to changes such as Defra's request to remove monies for inland bathing improvements at Knaresborough and Wetherby from AMP8.

- f) On Monday, Chris Walters (Senior Director for the Price Review at Ofwat) was hosted at Chellow Heights. The Company explained he is spending time with most water companies and that it was an opportunity for him to see some of The Company's assets and see some of the challenges being faced. It also provided an opportunity for The Company to reinforce the importance of funding for investment in assets along with other key messages from the business plan.
- g) In late February, The Company met with Ofwat and other regulators to update on the progress being made against the Service Commitment Plan. Then, in early March, a subsequent meeting was held specifically around enhancement expenditure, progress of investment delivery and environmental obligations. These meetings are seen as key since the exit point of AMP7 impacts on the transition to AMP8.

5. Research update

- a) The Company shared a report on customer research undertaken to understand opinion on the YWYS sessions. Participants were given background on the sessions if they didn't attend; and those participants that attended were asked questions about the sessions themselves. 19 participants attended the YWYS sessions. Positive feedback points included that the sessions were very informative; helped show the future for The Company; were well-run; and gave a good opportunity for honest feedback and questions. Negative feedback included that some attendees took a lot of time compared to others; too many words not enough actions; and more time was needed for questions.
- b) The 552 participants were asked whether The Company should continue to run the sessions in future. 58% said Yes, 3% said No and 39% said Don't Know. Most participants (45%) preferred a six monthly event. The most preferred (48%) length of session was an hour. Most participants (40%) preferred an afternoon session, although participants also asked for more choice of dates and times.
- c) A Forum member asked for clarification of a callout about 18-34 year olds. This group preferred a more frequent update (38% chose a frequency of every 3 months). The Company explained that this age group answered quite differently; wanting more information and more frequent information.
- d) In the Ofwat YWYS sessions the content was prescribed, but participants were asked what would be of interest to them. Bill affordability was key (27% of responders chose this as their highest priority), with sewerage and leaks being of next importance (21%). Partnerships (1%) and financial resilience (2%) were seen as much less important.

- e) Other points raised of interest to customers were shareholder pay/dividends; water quality/descaling; future investment in infrastructure; decision making process.
- f) When asked who they would prefer to chair the YWYS sessions, 33% of participants chose 'someone from the independent customer forum'.
- g) Further details on the research will be provided when the complete report is circulated to The Forum.
- h) The Company updated on the Insight Forward Programme.
- i) The Service Commitment Plan is being tested with customers covering format, language, if it's meeting customer needs.
- j) Research into Period Products has just been initiated. Materials will be shared in an upcoming meeting. This is expected to cover disposal and a switch to reusables across interested audiences.
- k) Research is underway to support development of a new campaign. The Company wants to understand what they have "permission to say". Campaign testing will follow.
- l) Enhancement cases and cost adjustment claims are being tested. Two are being fast tracked , water mains replacement and smart metering, in order that The Company can be prepared in advance of the draft determination.
- m) Triangulation is ongoing. The Company are using the company CCW used for the project. This will ensure the robustness of research holistically.
- n) Water Resources Management Plan (WRMP) and Long Term Delivery Strategy (LTDS) research testing will start during April. There have been lots of changes in both the WRMP and LTDS since submission.
- o) Draft Determination testing will be undertaken by Ofwat and CCWater supported by The Company.

Action 1: The Company to send the research for enhancement cases and cost adjustment claims for smart metering and water mains replacement.

Action 2: PSR Satisfaction tracking results to be shared at the Affordability & Vulnerability subgroup.

Action 3: The Company to keep The Forum updated on Period Products activity.

Action 4: The Company to share the results of the Exploring Changing Expectations campaign development.

- p) The Chair asked that attendees are mindful of the use of slides and how they tend to cause overrun.

6. Performance Commitments – Creating value from waste

- a) The Company updated on performance against the Creating Value from Waste Performance Commitment (PC). This PC was created to assess the environmental, social and financial benefits achieved from use of waste products. This can be physical waste or underused resources.
- b) The end of AMP target is £65m. This target was overachieved by 2022/23 with a cumulative total of £281m.
- c) Seven projects have been through audit and count towards the performance commitment including
 - i. Onsite sludge treatment at 2 treatment works (20/21) *c.£1m*
 - ii. Tree planting (21/22) *£1m*
 - iii. Clifton integrate construction wetland (21/22) *£0.6m*
 - iv. Broomfield Farm (21/22) – housing development on under-utilised land *£49m*
 - v. Calder Vale (22/23) – commercial development on under-utilised land *£228m*
- d) Since the target has been achieved there is no financial or reputational risk associated with this PC. No further initiatives have been put through the PC this year or next. Drivers to improve on usage of waste are already in place and this will not change, but resources dedicated to the PC can be reallocated since the PC has been achieved.
- e) A Forum member asked whether there were any conditions attached to the sale of land for housing, such as sustainable drainage systems or surface water management. The Company explained that before the sale of land there were considerations related to the planning permission meaning it was designed to be a sustainable development. This was the same for the commercial development which was also sold with some planning permission and forms part of a wider development in the Wakefield area.

Action 5: The Company to confirm whether there were any clean water initiatives to improve sustainability, e.g. grey water use solutions or water saving fittings.

- f) In reply to a comment from the chair about the positive outcome of the PC, The Company highlighted that encompassing social and natural capital rather than solely financial savings allows appreciation of a broader success.
- g) A Forum member noted that customers will likely criticise The Company for “selling off land to profit shareholders” and for the related loss of habitat; and that selling land close to sewage treatment works leads to complaints about smell. The Company explained that the Broomfields housing development was on fields, however this was leased farmland so the impact on habitat was less.

Yet, there were also planning permission considerations applied for biodiversity requirements in the new development. Calder Vale's pre-sale survey showed minimal wildlife was present on the land. Social benefits delivered by the projects are local jobs and affordable housing.

- h) The Company asked whether The Forum were happy with the performance of the PC and that no further initiatives were planned.

Action 6: The Forum to confirm their ability to provide assurance on the Creating Value from Waste PC.

7. Performance Commitments – Length of river improved

- a) The Company shared a report on the performance of this Performance Commitment.
- b) This PC covers a number of improvements across clean and waste water. The majority of the target is on the waste water side (wastewater 637.2km, clean 104.5km). The target cannot change but there is an incentive for over and underperformance of £55.8k/km.
- c) Actuals of performance in years 1-4 of the AMP were shared, with the commitment being overachieved in every year. Year 5's forecast currently shows a shortfall of 31km against a target of 741.7km. 12.6km of these will be delivered in AMP8.
- d) The reasons for the shortfall were explained including

At Pudsey Beck, a planned concrete storm water storage tank is being substituted with a nature-based solution, but it hasn't been possible to deliver this within AMP7. This will carry on into AMP8.

Dearne Reach was removed from WINEP since it was already achieving the required water quality performance.

3 fish passage schemes will no longer go ahead including

- Cononley Weir was an ambitious scheme but challenges with land permissions and the difficulty of constructing something of this scale and a lack of gradient mean it has been removed.
- A difficult decision was taken to remove the River Burn scheme because spiralling costs were predicted against quite a small benefit.

- e) Some increases have come in to compensate for the removals, the main one being the Niagara Weir fish pass – replacement of a wastewater asset that passed through a weir, and installation of a fish pass to bypass the weir.
- f) There are limited opportunities to bring additional Waste schemes into the programme.

- g) On the Clean side, funding from the removed Cononley scheme can be redirected to six proposed schemes, to be co-delivered with partners, which would improve 29.3km of river. Recognising that fish pass schemes can prove unfeasible when sites are investigated, further schemes to improve c.10km of river are being considered and may be taken to the EA and brought before The Forum for approval.

Action 7: Details of the newly proposed LORI schemes to be circulated to the Environment sub group for consideration offline, with a view to approval.

- h) A Forum member questioned whether schemes started in this AMP but finishing in the next AMP could be counted towards this AMP's PC. The member understood this direction was given by Ofwat and the EA to allow for the longer delivery timescales of nature-based solutions. The Company said that it hasn't been experienced that way, for example with Pudsey Beck discussions are around a change request being submitted for the regulatory date to be moved. As the commitment is with Ofwat, it is thought that The Company's auditors would not sign off on a length of river improvement which is not yet delivered. Given that the LORI for Pudsey Beck is quite small, other options have been pursued to make up the shortfall, and the Pudsey Beck improvements are likely to also be delivered early in AMP8. The Company hopes to be able to get the regulatory date moved as that would also affect the WINEP delivery PC.
- i) The Forum member asked whether the nature-based solution having pushed delivery into the next AMP would discourage The Company from carrying out more nature-based solutions in future; whether the framework encourages uses of tanks to meet targets. The Company explained that in AMP7 this has proved challenging; but AMP8 should benefit from the experience built up around understanding the framework across many different types of applications, as well as the evidence needed in each circumstance and how to assess if the projects are beneficial.
- j) The Company asked if any information was missing that would prevent The Forum being able to provide assurance on this PC at year end. The Forum stated there were no obvious omissions.

8. AOB

- a) The Company clarified that the Performance Commitment for Capital Carbon requires that the external audit is undertaken before the findings are brought to The Forum. This is the reason the item was removed from the March meeting's agenda, but it will be brought to a future meeting.

- b) As part of the APR the auditors will attend a Forum session to give an overview of Performance Commitments.
- c) CCW have carried out research into the Goole no water/low pressure incident. In this, PSR support, communication and compensation look poor. CCW are in discussion with The Company but have been unable to acquire an internal report carried out by The Company into the incident. This means a press release for the research is unable to take into account any action taken by The Company as a result of learnings from the incident.

Action 8: The Company to pass on CCW's feedback on the internal review into low/no water incident at Goole not being shared.

- d) It was clarified that a deep dive into the Working with Others PC prioritised by spend will be taken to the Environment sub group.

Next meeting

25 Apr 2024 via Microsoft Teams

(Environment subgroup meeting: 18 Apr 2024)

Actions tracker –

March 2024

Ref.	Action	Status
1	The Company to send the research for enhancement cases and cost adjustment claims for smart metering and water mains replacement.	Open
2	PSR Satisfaction tracking results to be shared at the Affordability & Vulnerability subgroup.	Open
3	The Company to keep CCW updated on Period Products activity.	Open
4	The Company to share the results of the Exploring Changing Expectations campaign development.	Open
5	The Company to confirm whether there were any clean water initiatives to improve sustainability, e.g. grey water use solutions or water saving fittings.	Open
6	The Forum to confirm their ability to provide assurance on the Creating Value from Waste PC.	Open
7	Details of the newly proposed LORI schemes to be circulated to the Environment sub group for consideration offline, with a view to approval.	Open
8	The Company to pass on CCW's feedback on the internal review into low/no water incident at Goole not being shared.	Open

February 2024

Ref.	Action	Status
1	The Company to provide an overview of queries received by subject matter.	Complete
2	Circulate the slides which CCW presented	Complete
3	CCW to provide further evidence on the ramped billing recommendation	Open
4	The Company to report back to The Forum with details of any independent observer and the criteria for the projects' inclusion [Working with Others PC]	Open

5	The Company to share data tables detailing benefits with The Forum [Working with Others PC]	Open
6	Add an Environment subgroup agenda item – deep dive Working with Others PC schemes, prioritised by spend	Open
7	The Company to share the evidence pack for Inclusive Customer Service with The Forum by 1 st March	Closed
8	The Company to ask whether the research agency could share details of the expert panel directly with The Forum [Inclusive Customer Service PC]	Closed

January 2024

Ref.	Action	Status
2	Minutes and papers for the monthly Forum meeting, as well as the subgroups, to be circulated at least 2 weeks beforehand.	In Progress
4	The Company to circulate the outcome of the Horizon Scanning with details of how this is going to feed into Customer Research and Business Planning.	Open