

MINUTES OF 3rd MEETING OF THE WESSEX WATER PARTNERSHIP

Meeting held at Wessex Water, Claverton Down, Bath
Wednesday 23 March 2016

Present Dan Rogerson (Chair)
Jeremy Bailey - Environment Agency (JB)
David Heath - CCWater (DH)
Michael Barnes – CCWater (MB)
Sarah Cardy - Citizens Advice Wiltshire (SC)
Matt Vaughan-Wilson - Money Advice Trust (MVW)
Martin Green - Age UK South Gloucestershire (MG)
Jeremy Hawkins – Independent report writer (JH)

Wessex Water observers:
Andy Pymmer (AP)
Sue Lindsay (SL)
Harriet Penrose (HP)
Neil Wilson (NW)

Apologies:

David Hawkes – Advice UK (DH)
Richard Cresswell – Catchment Panel Chair (RC)
Nicola Morris – Student Representative Bath University (NM)
Gillian Camm Non-Executive Director Wessex Water (GC)

Guest:

Emma Partridge – Blue Marble Research (EP)

Key points and actions from the meeting

1. Welcome and introductions to new members

Michael Barnes was welcomed as a new member of the Partnership.

Apologies noted. Nicola Morris has joined from Bath University so her first meeting will be in October.

2. Year-end performance

AP introduced this section followed by a presentation by NW.

Key discussion points were:

Drinking water standards

- DR asked about the seriousness of the two drinking water failures in

- Wessex Water's network. AP confirmed they were localised iron failures reported to the Drinking Water Inspectorate (DWI) under the usual process.
- DH commented that it is difficult to influence domestic plumbing arrangements although the DWI believes that the water industry, along with other stakeholders, can play a part.
 - JH asked about drinking water performance in 2015/16 compared to previous years and also how Wessex Water is performing in the current year (2016/17). AP confirmed that Wessex Water had 15 failures in 2015/16 compared to 20 the previous year. Current performance in 2016/17 is very similar to last year and failures tend to be similar in nature from year to year.
 - DH asked if failures are weighted by seriousness in the measure as iron isn't as serious as for example as a bacteriological failure. AP confirmed there wasn't any weighting of this kind but if there was ever a more serious failure it would be reported to Public Health England.
 - DR asked if Wessex Water takes its own water samples and whether there is any duplication in the reporting. AP confirmed that Wessex Water do take their own water samples either proactively or in response to a customer contact so the same issue may be picked up by both Wessex Water and the customer.
 - SC asked about comparisons with other companies. AP confirmed Wessex Water's performance was around average. None of the water and sewerage companies have ever achieved 100% compliance. It tends to be the smaller water only companies that do better as they take fewer samples. AP confirmed that when the water industry was privatised average performance was around 99% whereas it is now up at 99.96%. By comparison, private water supplies are down at 93%.

Risk of sewer flooding

- JH asked if the final determination of prices required Wessex Water to set its own target on risk of sewer flooding. NW confirmed that Wessex Water had worked with the Customer Scrutiny Group (predecessor of the Wessex Water Partnership) to agree to base the target on the 2014-15 year end position as this was a new measure. Due to the uncertainty around performance because of the impact of things such as the weather, a broad dead band was applied.
- DH questioned why further sewer improvement work and new development should increase the risk of flooding because if this is keeping pace it should surely reduce risk. A steady risk profile may not be ambitious enough because new houses will have sewerage systems that are better designed. AP confirmed that the network is increased for larger developments but the ones that are challenging are single infills or urban creep. Wessex Water to look at different scenarios and set out the impact on the risk score of each to help the Partnership decide if a flat risk score is correct.
- JB suggested geology does create problems noting there are 60 infiltration reduction plans in place across the Wessex Water area. The risk of flooding is high in these areas and he is concerned about the

NW

views of those communities who are affected by flooding if Wessex Water was to receive a reward under this performance measure. NW confirmed that this is something Wessex Water is acutely aware of and has considered. The rewards and penalties would be aggregated up at the end of the AMP and dialogue will take place at that point with the Wessex Water Partnership to agree how to deal with such issues. Other companies are applying rewards and penalties on a yearly basis not at the end of the AMP. Wessex Water reminded the Partnership that it didn't support the concept of rewards when they were first proposed.

- MVW asked about Wessex Water's options in terms of rewards due. AP confirmed that Wessex Water could choose not to take the reward or share it with customers or make some additional investment e.g. with a community subject to flooding. Wessex Water has paid a customer dividend in the past and made additional investment. NW confirmed it will be useful for the Partnership to discuss Wessex Water's forecast for rewards and penalties at a future meeting so early discussion on these options can take place.

SL/
NW

Beaches passing EU standards

- DH asked if the issues at Burnham Jetty related to the Severn Estuary. NW confirmed that other beaches have passed in that area but that northern coastline is more difficult. Wessex Water needs to do further investigations and work in the river catchment. It was noted that this is a revised bathing water standard so despite the performance against this new measure, the quality has actually improved.
- DH asked if it was a low or high tide measure which could affect contamination as Burnham has an extreme tidal length. JB confirmed the sampling is taken at a particular location when the tide is in and where people bathe.

Volume of water used per person

- DH asked if there was relationship between income and domestic water use. AP confirmed there was a trend towards greater use of power showers for example but this was being offset by more water efficient appliances. DR also suggested there was a move towards smaller gardens. AP confirmed that water use is seasonal so the measure would use 3-4 years of data to establish the trend in water use.

3. **Private workshop session**

Workshop held by the Partnership Board in private.

No formal minutes were taken but the results of the workshop were an agreed Annual Report to be published on the Partnership website.

Minutes and actions from previous meeting

One minor change to the minutes was made and the minutes were signed.

The following updates were provided to actions from the previous meeting:

- DR to contact the Wessex Chamber of Commerce as a potential member. DR
- SC to provide details of two chamber members that DR can approach to ensure business customer representation on the Partnership. SC
- SL to continue to liaise with Bath University about a suitable academic to support the Partnership and help them challenge Wessex Water on their customer engagement. SL
- MB to act as a link with CCWater and provide any comparative information that can be shared. MB
- DR questioned whether the Partnership should seek clarification from Ofwat on business customer involvement. AP confirmed that from Wessex Water's perspective, both the retailer and wholesaler will have a relationship with customers so it is important to understand what customers are expecting from Wessex Water as a wholesaler. DR to raise this issue at the next CCG chairs meeting. DR

5. Debrief of industry wide challenge group events

Note from DR was circulated to members at the meeting.

Wessex Water to explore if a drop box can be created for the Partnership so that any useful information from challenge group chair meetings or workshops can be shared. SL

6. Update on PR16 submission

AP gave a brief update about the PR16 submission and reminded the Partnership about two changes discussed last time, namely charging had debt customers more which we decided not to and the other was the balance of charges between different size businesses. The overall impact of the proposals is a reduction in charges to small businesses of around 1% and increase in charges to large businesses of around 1% bringing us more in line with other water companies. AP advised the submission had been signed off by the Wessex Water Board and Audit Committee. The information was noted.

7. Water 2020 update

SL provided an update on Water 2020 including the role of challenge groups and good customer engagement which was noted by the Partnership.

8. Debrief of SDS research – qualitative phase

EP of Blue Marble Research presented the findings of the qualitative phase of the research for Wessex Water's 25 year vision or Strategic Direction Statement (SDS).

Key discussion points were:

- MG asked if there was any discussion in the focus groups around

incentivising smart metering. EP confirmed some customers were very interested in technology and keen on understanding the cost of smart meters. The main issue for consumers was making metering compulsory which many were not in favour of.

- MG asked about the staff survey and clarification of a point made about feeling proud of the vision. EP explained that the stimulus is objective and quite dry and staff don't necessarily feel the plan sells all of the good stuff that they and Wessex Water do. They question if the wording in the 25 year vision really sells it enough.

9. Induction for new members

An induction is planned for any new members in addition to training being offered by CCWater. It was agreed that an induction day would be planned comprising of a presentation on price setting, customer service and Geneco at Avonmouth Sewage Treatment Works followed by a tour of the food waste plant in the morning and at trip to Burnham Sewage Treatment Works in the afternoon. Members to be asked for dates in September via a doodle poll. SL

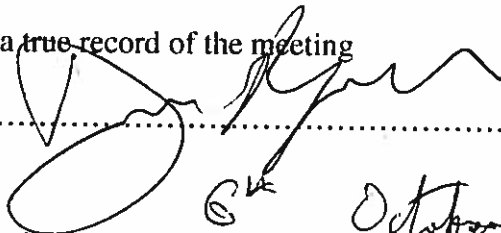
10. Any other business

An acronym list has been produced for year-end reporting so this to be sent out with the papers for each meeting. SL

Signed as a true record of the meeting

Chair

Date


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GK October 2016

