



Meeting of the Water Forum
Severn Trent Centre, St John's St, Coventry, 12 January 2018

Present:

<i>Chair</i>	Gill Barr (GB)
<i>Consumer Council for Water (CCWater)</i>	Bernard Crump (BC)
<i>Consumer Council for Water (CCWater)</i>	Paul Quinn (PQ)
<i>Consumer Council for Water (CC Water)</i>	Gemma Domican (GD)
<i>Natural England</i>	Ian Butterfield (IB) (via conference call)
<i>Environment Agency</i>	Bill Darbyshire (BD)
<i>CBI</i>	Richard Butler (RB)
<i>East Midlands Councils</i>	Stuart Young (SY)
<i>Sandwell Council</i>	Jan Britton (JB)
<i>Independent Members</i>	Nick Baker (<i>Apologies</i>) Rish Chandarana (RC) - Arup Karen McArthur (KMc) Steven Wade (SW) – Atkins

In attendance:

<i>Severn Trent Water (STW)</i>	<p>Liv Garfield, CEO, Severn Trent Tony Ballance (Director, Strategy and Regulation) Shane Anderson (Head of Economic Regulation) Min Grimshaw (Head of Regulatory Oversight) Shane Anderson (Head of Economic Regulation) Tracey Miah, (PR19 Programme Director) Katherine Bird, (PR19 PMO Lead) Heather Nunnerley, (Customer Strategy Business Lead) Heather Thompson, (Outcomes Manager), Neerja Upadhyay, (Business Planning Controller Infrastructure) Malcolm Smith, (Education Co-ordinator) Leah Fry (Head of Customer Strategy & Experience) Harriet Towler, (Head of PR19 Editorial) Kat Greenwood (Head of Communications) Denise Shaw (Consultant) Sam Williams, Economic Insight Donna Harris, Oxford University</p>
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Item 1: Welcome, introductions and governance

Forum members reviewed the minutes from its meeting on 27 October 2017 and these were approved.

There were no new declarations of interest.
The action log was reviewed and updated.

Purpose of the day

Liv Garfield, CEO, provided an introduction and outlined the on-going challenge and support that the work of the Water Forum has provided which has is a successful offering to Severn Trent at this critical point in developing their business plan.

Tony Ballance introduced the agenda for the meeting, identifying key topics which required additional focus.

Item 2: PR19 Methodology

The company outlined the forward agenda of items it needs the Water Forum to address in the forthcoming months. This follows the Ofwat publication of the methodology. It was noted this will be updated once Ofwat publishes the updated CCG Aide Memoire, expected the end of January.

Item 3: Customer Insight Overview

The company presented its approach to and findings from their customer engagement for the 2019 Price Review. The company summarised customer insight to date.

PQ confirmed that the approach to the customer co-creation events was very positive and the insight had provided a broader range of findings. **PQ** went on to commend the company for allowing the CCG to have had early collaboration to be able to provide effective challenge.

Additionally, it was said that the CCG had a wider remit beyond verifying research with many members being invited to internal and external events.

The meeting went into two Break Out groups to discuss the approach to engagement to highlight whether there were any challenges to the approach, any gaps in the research against the Ofwat criteria, whether there was any new news and what stood out.

A few gaps were identified for which an update will be provided at the next Water Forum in March.

There was also a wide of discussion of additional items that stood out about what STW might do with the results of the research. This will be the focus of other sections and future



meetings, however some of the key challenges STW will consider were noted at the meeting.

Item 4: A Positive Difference

Kat Greenwood, Severn Trent Water's Head of Communications, presented the Water Forum with an overview of work being undertaken across research and community outreach.

The Water Forum went into break-out groups for interactive sessions to discuss Severn Trent Water's new approach. Forum members were asked for any feedback to identify and areas that may have been missed or for potential areas of improvement.

Item 5: Retail

KMc, chair of Retail sub-group introduced the session, commenting that huge progress had been achieved since June 2017 and commended all those involved in this work stream.

The Water Forum went into two break-out groups to examine Severn Trent's proposed AMP7 retail commitments for affordability and vulnerability.

An introduction was given explain the approach to affordability within the company. The approach to the bespoke performance commitments was presented. Initial thoughts and discussion was sought on the options proposed to use to support customers who struggle to pay and how they align to different customer circumstances. Members were asked to consider how effectively the bespoke performance commitment meets the Ofwat criteria, there was overall agreement to the proposal.

The company provided an update on the approach to date and on the aspiration that every customer can access its service and enjoy its benefits. The group discussed how the company can better identify customers and respond to their needs.

The company introduced proposals for bespoke performance commitments. Members were talked through the rationale for each and were asked to identify which they thought was the better option.

The overall approach to developing the service vulnerability propositions was discussed and members were asked to review the approach.

Item 6: Strategic Investments

The company updated the Water Forum on progress in relation to strategic investments and sought challenge on the need case for each of the seven enhancement projects.

The statutory and non-statutory strategic investments were discussed.

Item 7: Wholesale Performance Commitments



SW, commented a huge amount of progress had been on this with final discussions on driver trees being completed. **SW** confirmed that the selection of PCs presented is appropriate and well evidenced.

The Water Forum then examined the key elements of the PR19 methodology, the 12 common measures covering the Wholesale plan, how these can be grouped, how Severn Trent Water is working to ensure comparability and consistency.

The Water Forum went into break out sessions to discuss how well the Severn Trent bespoke PCs cover the areas expected by Ofwat.

The two groups covered were presented with the list of proposed PCS and were asked to provide their opinion regarding the approach to the proposed PC list

Item 9: Next Steps and Water Forum Communications

GB and **NB** to attend an Ofwat Customer Engagement event on 5 February. They will report back to the Water Forum meeting in March.

The Water Forum Challenge Log should be kept updated.

There will be further consultation on the Water Forum August meeting dates.

The Water Forum report which will be submitted alongside the company's business plan will start to be written and progressed in the next month in liaison with Gill and other Water Forum leads.

The next meeting will be on 15 March 2018 at Severn Trent Centre, St John's Street, Coventry.