



**Meeting of the Water Forum**  
**Severn Trent Centre, St John's St, Coventry, room 5.14**

**15 March 2018**

**Attendees**

Chair	Gill Barr (GB)
Consumer Council for Water (CCWater)	Bernard Crump (BC)
Consumer Council for Water (CCWater)	Paul Quinn (PQ)
Consumer Council for Water (CC Water)	Gemma Domican (GD)
Natural England	Ian Butterfield (IB)
Environment Agency	Bill Darbyshire (BD)
Independent Members	Nick Baker ( <i>for section 4</i> ) Rish Chandarana (RC) - Arup Karen McArthur (KMc) Steven Wade (SW) – Atkins
Apologies	Jan Britton Richard Butler Stuart Young

Severn Trent Water (STW)	Philip Remnant - Non-Executive Director Sarah Bentley (Chief Customer Officer) Liv Garfield (CEO, Severn Trent) – Section 5 James Jesic (Director, Production) - Section 6 Tony Ballance (Director, Strategy and Regulation) Shane Anderson (Head of Economic Regulation) Min Grimshaw (Head of Regulatory Oversight) Kirsten Shilling (Water Forum Secretariat & Report Writer) Katherine Bird, (PR19 Programme Manager) Heather Thompson, (Outcomes Manager), Neerja Upadhyay, (Business Planning Controller Infrastructure) Section 6 Leah Fry (Head of Customer Strategy & Experience) Harriet Towler, (Head of PR19 Editorial) Section 6
Other	Richard Court – Cadent Gas Ltd



### **Item 1: Welcome, introductions and governance**

Forum members reviewed the minutes from the meeting on 12 January 2018 and these were approved.

An action was taken to provide an update regarding the interconnector in the future.

There were no new declarations of interest.

The action log was reviewed.

GB introduced the additional guests attending the meeting.

### **Purpose of the day**

STW provided an introduction and key aims for the day and where the company would seek challenge and debate from the Water Forum.

### **Item 2: Aide Memoire**

STW explained the updated Ofwat CCG Aide Memoire. STW explained what work the company had done against each of the criteria and any work that is due to be completed in the future.

The Water Forum queried whether it should look further into the base plan, not just cost adjustments. STW and the rest of the Forum noted that a review of the base plan is not covered by the scope of the aide memoire.

The approach to asset health performance was discussed and how recent weather related incidents could impact on the PR19 Plan.

There were no further comments.

### **Item 3: Strategic Investments**

The Water Forum sub group provided a progress update since the last main Water Forum meeting in January. It was agreed that the need for investment had been covered for each of the proposed strategic investments.

It was noted that the sub group will ensure that the aide memoire tests are covered in the final report. In relation to best options for customers, it was explained that cost benefit and risk had been presented to the sub group and that there is a need to ensure the customer statements have been used to show the clear line of sight to what customers want and what has been proposed.



It was agreed that overall this part of the plan and what the investment sub group had covered was green status at present. However there is still work to be done with some significant challenges which were discussed.

The Forum **challenged** whether the company has the customer evidence to support each strategic investment and how this could be clearly shown. It was noted that this should be evidenced also for the retired options.

STW provided an overview of each of the strategic investments for context. STW explained the requirements of the breakout session explaining members would be asked to comment on how complete the need and best option for customers had been addressed and how the company had responded to customer feedback.

All feedback and comments were noted by STW following the session.

#### **Item 4: Customer Insight**

The Water Forum sub group lead and STW lead introduced the progress the sub group had made since January. An update was provided covering what the current position was with regard to the overall engagement process. STW explained how the CCG aide memoire had been covered in relation to customer engagement and what had not yet been covered. STW confirmed that although there were some areas that still needed to be covered, the plan was still on track.

The Water Forum confirmed that the additional material that had been provided with the papers for the meeting was very good.

The Water Forum **challenged** that in the summary section of the Customer Compendium, (eg for strategic investments documenting the customer reaction) it was, at times, hard to gauge the level of customer reaction and the weight that was attached to this. GB also asked how the company best captures this.

STW responded suggesting iconography could be used to provide a calibration. It agreed to take the action to investigate this further.

There were some breakout sessions in relation to customer participation.

#### **Item 5: Update from the CEO**

STW provided an explanation of progress since the last meeting. The Water Forum noted this update and no further actions were made.

#### **Item 6: Performance commitments**

The sub group provided an update on progress. It was confirmed that the approach to AIM had been agreed.



STW introduced the proposed outcomes for PR19 showing how they had changed from PR14. Members provided some feedback which the company noted.

STW explained how it had developed a framework which links to the customer research to provide a robust approach to setting targets. Members were very supportive of the framework and considered it a good basis to set PC targets.

Members commented that further information was needed to evidence how targets had been derived. The company responded that this would be covered through the breakout session.

### **PC breakout session**

There were two breakout groups that covered the same material, an overview of the framework, the explanation of the proposed PCs and where targets had been proposed. It was reiterated that challenges relating to the scope of PCs had been closed at previous meetings and this was not being reopened and instead the focus was on the targetry.

Challenges were raised in the breakout groups and categorised under:

- Approach to setting targets
- PC specific queries on targets
- Valuations and ODIs

The company noted all challenges and feedback and would share updates in future sub group meetings and main meetings.

### **Item 7: Retail**

The sub group Chair presented a positive overview of the Retail subgroup progress since January. STW went through the proposed bespoke PC propositions.

For service vulnerability the approach was agreed and members endorsed the PC proposal and approach to setting the target.

The approach to developing the bespoke voids commitment was explained and noted by the Water Forum.

The struggling to pay proposal was presented. The proposition was agreed with no further comments or concerns raised on the approach.

### **Item 8: Next Steps**

The Chair reviewed the day and thanked attendees for their time and noted the effort from each sub group. The main meeting was closed and the members moved to a meeting in private.

The next meeting will be on 03 May 2018 at Severn Trent Centre, St John's Street, Coventry.