

South Staffs Water Customer Challenge Group

Terms of Reference

The Customer Challenge Group (CCG) should ensure that the company business plan reflects a sound understanding of customers' views and whether the phasing scope, and scale of work required to delivered outcomes is socially, economically and environmentally sustainable.

The Chair will be independent and their role is to facilitate the group's discussions and make sure every group member has a fair chance to contribute to the discussions. The chair should ensure the group is able to produce a report for Ofwat that provides proportionate assurance.

Memberships will include organisations with a statutory remit; Environment Agency, Drinking Water Inspectorate, Natural England and Consumer Council for Water. It will also include business customers and their representatives and other key stakeholders, including, local authorities and local community representatives.

Ofwat is not a member but is available to provide information and advice. The Regulator will be invited to attend meetings and will be kept informed of agendas, supporting information shared with the CCG and the minutes of meetings.

The role of the Challenge Group is to:

- Challenge the scale, scope and delivery of outcomes and obligations;
- Challenge justification and support for the overall plan; and
- Report to Ofwat on customer engagement and company plans.

The CCG's views will inform and advise South Staffs in its work but they will not take direct decisions on the strategy of the business or the investment proposals / price limits in the Final Business Plan. This remains the responsibility of the Company. There role is not confined to discussing PR14 issues, it can interact on general aspects of service delivery etc.

The CCG will produce a report for Ofwat that's covers the following:

- The company's engagement process:
 - Its effectiveness;
 - Whether it is proportionate to the materiality of the business plan; and
 - If the terms of reference for the group has been met.
- Whether the Company's strategy and business plan:
 - Facilitates the delivery of legal outcomes;
 - Is innovative and cost effective;
 - Provides an appropriate response to customers' views;
 - Strikes a reasonable balance between different customers and stakeholders;
 - Explores solutions and phasing to maximise acceptability; and
 - Is acceptable overall.

The company will provide secretariat and administrative support and costs. Agendas and other materials will be provided five working days prior to each meeting in an accessible way to all members. Minutes will be kept and made publicly available after being signed-off by those present at the meeting. Confidentiality will be considered and agreed prior to the publication of minutes and supporting material. The frequency and timings of meetings will be agreed by the group. This will form part of each meeting agenda.

June 2012

List of Members

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| Independent Chair | Dame Yve Buckland |
| South Staffs Water | Liz Swarbrick |
| South Staffs Water | Rachel Barber |
| South Staffs Water | Matt Lewis |
| South Staffs Water | Barbara Julye |
| Consumer Council for Water | Christina Blackwell |
| Consumer Council for Water | David Wurr |
| Environment Agency | Adam Lines |
| Environment Agency | Phillip Hulme |
| Drinking Water Inspectorate | Jacky Atkinson |
| Natural England | Ian Butterfield |
| Beechdale Housing Association | Alison Cotton |
| Black Country Federation of Small Businesses | Ralph Tennant |
| Coors | Andy Baxter |
| Staffordshire County Council | Councillor Peter Davies |
| Lichfield District Council Stowe | Councillor Colin Greateorex |
| Lichfield District Council and South Staffs Water Charitable Trust | Councillor Tom Marshall |
| South Staffs Water Charitable Trust | John Thompson |
| Spirit Pub Company | Catherine Lund |
| Sandwell Metropolitan Borough Council | Councillor Ahmadul Haque MBE |
| Walsall Citizens Advice Bureau | Ray White |

South Staffs Water attendees

Dr Liz Swarbrick
Rachel Barber
Matt Lewis
Barbara Julye