

**South Staffordshire Water
Customer Challenge Group (CCG)**

**Minutes
Tuesday 5th July 2012
Lichfield**

Attendees:

Yve Buckland	Independent Chair
Colin Greatorex	Deputy Chair and Lichfield Councillor
Liz Swarbrick	Managing Director, South Staffs Water
Matthew Lewis	Finance and Regulation Director South Staffs Water
Rachel Barber	Customer Operations Director, South Staffs Water
Barbara Julye	Head of Customer Engagement, South Staffs Water
John Thompson	Chair of the South Staffs Water Charitable Trust
Tom Marshall	Lichfield Council
David Wurr	Consumer Council for Water
Christina Blackwell	Consumer Council for Water
Jacky Atkinson	Drinking Water Inspectorate
Philip Hulme	Environment Agency
Adam Lines	Environment Agency

Apologies:

Alison Cotton (Beechdale Housing)	Graham Blair (Kerry Foods)
Catherine Lund (Spirit Pub Company)	Ray White (Walsall CAB)
Andy Baxter (Coors Brewery)	Ahmadul Haque (Tipon Councillor)
Ralph Tennant (FSB)	Ian Butterfield (Natural England)
Peter Davies (Staffordshire County Council)	

1. Introductions

The Chair opened the meeting and reconfirmed the purpose of the CCG and welcomed new members. Each member introduced themselves.

Members noted that the site visit to Seedy Mill Treatment works held before the meeting had been very interesting and had provided them with good background to the Company's operations.

2. Appointment of a Deputy Chair

Colin Greatorex was appointed Deputy Chair of the SSW CCG. It was noted that one of the role's of the deputy chair would be to confirm the independence of the Chair.

3. Review of Minutes and Matters Arising from 24th April meeting

The minutes were accepted as an accurate record of the April meeting with some minor amendments to grammar and the attendance list, which will be updated.

Miss Barber referred to the paper summarising the matters arising and raised three points:

- Item 2 – Terms of Reference were circulated and with one minor amendment (DWI requested that the term “legal” regulatory should not be used but rather “statutory” regulatory terms) were accepted by the group. It was agreed that members who could not attend the July meeting must be asked if they also accept the Terms of Reference. **ACTION:** SSW to update the Terms of Reference
- Item 10 – A summary of the Consumer Council for Water (CCWater) research regarding customer priorities was circulated.
- Item 12 – The suggestion for bi-monthly meetings during 2013 were agreed. **ACTION:** SSW to liaise with all members to understand the best time of day for the meetings.

4. Company performance

Dr Liz Swarbrick introduced the paper circulated to members prior to the meeting and delivered a presentation regarding the Company’s performance during 2011/12 and the challenges for 2012/13. Liz Swarbrick responded to many questions from the group regarding:

- the Company’s investigations into use of alternative energy, i.e. wind turbine, which were not progressing at SSW due to the long payback;
- confirming that the Company worked with third parties such as Local Authorities and Emergency Services regarding emergency plans;
- in terms of the Streetly flooding incident, the actions by the Company to support families not adequately covered by their own insurance provision;
- whether the Company’s level of mains replacement activity was sufficient, a subject that will be covered at the September meeting;
- an update on the catchment management scheme that the Company is currently progressing to control metaldehyde levels;
- the acquisition of Cambridge Water by South Staffordshire Plc and clearance by the Competition Commission, explaining the combining of licences approach, that firstly needs to be progressed, and confirming at this stage there is no effect on the remit of SSW CCG or the Company’s Business Planning Process; and

- confirming that no additional action is currently being undertaken to address the shortfall of meter switchers in the past two year, however, that this would be reviewed in the Autumn of 2012.

ACTION: A number of actions regarding further information as a result of the above discussion were requested as follows:

- Further information and assurance regarding the level of mains replacement
- Comparative assessment of CCWater research regarding SSW value for money and customer satisfaction and SSW Customer Priorities Research
- Information regarding the Financial Performance of the Company (which was to be published in mid-July)
- Comparative SIM results over the past two years

6. Overview from Drinking Water Inspectorate (DWI)

Jacky Atkinson delivered a presentation relating to the role of DWI. The DWI were looking for outcomes that included water that was safe and clean; together with continued public confidence in their drinking water. It was noted that the DWI were not just focussed on new water quality schemes, they were also interested in Company plans to maintain existing assets to ensure water quality is not compromised. The importance of risk assessments to allow investment to proceed before water failures arose was emphasised.

The subsequent discussion covered issues such as the addition of fluoride to public water supplies and the risk of public health from incidents such as Camelford.

7. Overview from Environment Agency (EA)

Phil Hulme delivered a presentation relating to the role of the EA. The EA were looking for outcomes from the next price review that included asset resilience; secure water supplies; improvements in protected habitats; and no deterioration in the state of the water environment.

The need for public consultation by SSW as it develops it's Water Resources Management Plan was noted. This would be picked up at subsequent meetings.

ACTION: Circulate presentations to all members. Ensure that any members who did not attend this meeting will receive the information and have the opportunity to clarify and obtain further information.

8. Customer Research proposals

Matt Lewis presented an overview of the Company's approach to customer engagement providing information in relation to Ofwat timescales and the

delivery of further guidance. Barbara Julye presented on behalf of the Customer Research task group progress to date regarding the Customer Priority Research and timeline for delivery. This was supported by task group members in attendance at the meeting.

Further clarification was sought from David Wurr (CCW) regarding the timescale and approach the Company was taking on Willingness to Pay (WTP) research. Mr Lewis stated that the timing of the Company's WTP research had not been finalised.

ACTION: SSW to present firm proposals regarding further research and how the Customer Priority research would compliment this. Also to clarify how the long term strategy (SDS) and outcomes will fit with the key dates in SSW's engagement plan.

9. Update from Ofwat Meetings

The Chair, Yve Buckland, provided a verbal updated from the Ofwat meeting of CCG chairs which was confirmed by both Colin Greatorex, who was also in attendance, and Matt Lewis, who attended the separate meeting Ofwat held with water companies.

It was noted that a decision would be needed on whether to undertake any joint research with Severn Trent given that they provide the sewerage services to customers of South Staffs Water.

10. Assurance

The Chair, Yve Buckland, asked the group to consider where they require independent assurance, i.e. through Auditors, reporters, Peer Reviews. SSW confirmed that it will continue to use an Engineering Reporter (Mike Reid of Monson). It was requested that at a future meeting the Reporter may be asked to attend. Matt Lewis asked the group to consider if they required an allocated time slot during future meetings to meet alone without SSW personnel being present.

11. Review of the Meeting

It was noted that the meeting had sought to cover many issues and it's format had been dominated by presentations. Members agreed that going forward more time for discussion was required.

12 AOB

There were no items raised.

Date of next meeting: Thursday 13th September (n.b. a meeting of the customer research task group would take place in early August).