



CONSUMER COUNCIL FOR WATER

OPERATIONAL BUSINESS PLAN

2011-2012

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1. INTRODUCTION

The Consumer Council for Water's (CCWater) Operational Business Plan (OBP) outlines how we will deliver our Forward Work Programme during 2011-12. The Forward Work Programme shows what we will do to help ensure that consumers get a good, reliable water and sewerage service from their local company at a price they find acceptable and can afford and that any issues and concerns water consumers have are addressed. The OBP then sets out what benefits we will deliver for consumers during the next year, and how our success should be measured.

We will ensure the consumer's voice is heard clearly throughout the monopoly water industry, and will work to ensure that their views drive the water sector's thinking. Based on what water consumers tell us, we will continue to focus on: value for money; sustainable, safe and good quality tap water; successful delivery of a sustainable wastewater service; water companies getting their service right first time; and speaking up for both business and domestic consumers.

In CCWater's first four years, we held our costs flat in real terms and achieved substantial results for water consumers. In 2010-11, following the completion of the 2009 price setting process, we reduced our licence fee by ten per cent and passed this financial saving on to water customers. We will reduce our licence fee by a further ten per cent this year, limiting the cost to household and business customers to around 21p a year. We will prioritise our work for consumers to achieve this, while ensuring that our service levels continue or further improve.

We will continue to help consumers when they have a problem with their water company. We have directly helped over 83,000 people since we were set up and have secured them more than £11m in compensation, reduced bills and rebates from water companies. This is on top of the £135m of additional benefits we have persuaded water companies to give back to customers, and the contribution we made to the £1bn improvement in price setting in 2009 compared with the last price review in 2004. This is what we need to build on as we work to ensure that all water companies', governments and regulators' decisions on price and service issues in the water industry are informed by consumers.

Our priority areas of work for 2011-12 are:

- ***Value for Money - A fair, affordable charge for the service and help for those who cannot pay, creating a sustainable water service now and in the future.***
- ***Right First Time - Problems sorted out quickly and without hassle.***
- ***Water on Tap - Safe, reliable, good quality tap water that is sustainable and consumers use wisely.***
- ***Clearing up - Successful delivery of a sustainable wastewater service with minimal sewer flooding.***
- ***Speaking up for Consumers - Achieve improvements for water consumers and help local consumers' views be the drivers of key decisions that affect their water bill.***

The Department for Environment, Food and Rural Affairs (Defra) and the Welsh Assembly Government (Assembly Government) have seen our draft Forward Work Programme.

A separate Forward Work Programme has been issued for our work in Wales.

2. OUR DELIVERY APPROACH

In delivering our business plan we will:

- Be aware of our legal duties. These are shown in **Appendix A**.
- Maintain a strong focus on advocacy.
- Engage with consumers, especially those who are disabled or chronically sick, of pensionable age, on low incomes, living in rural areas and those unable to switch suppliers in the limited competitive market, so that we can develop a real understanding of their needs and work in line with their specific interests. We will act on behalf of businesses as well as households.
- Fulfil our duty to contribute to achieving sustainable development by showing consumers how we balance the economic, environmental and social aspects in all that we do.

3. MANAGING PRIORITY AREAS

Strategic objectives and key targets

For each priority area we have identified:

- ✓ our strategic objective;
- ✓ what our work will deliver for water consumers; and
- ✓ our targets so that we can measure where CCWater has added value for consumers.

Some activities underpin all that we do. These activities are:

Sustainable development

We will continue to consider sustainable development and apply its principles to all projects that we undertake.

Vulnerable groups

We will continue to develop CCWater's approach to supporting the vulnerable in society and apply it to all projects that we undertake.

Overall measurement of CCWater's achievements and effectiveness

We have developed a monitoring and measurement management framework. This aligns the corporate strategy in the Forward Work Programme to business and individual objectives for CCWater. To help us to measure our performance, we:

- May commission consumer tracking research to assess the effects of our work on behalf of consumers. We would also use this to track consumers' concerns about water and sewerage services.
- Build a series of scrutiny measures into this Operational Business Plan and then apply further detail in our work progress report using milestones. This report is regularly reviewed by our Executive Team to ensure that we are delivering our commitments.

Our achievements on behalf of water consumers

Each year we review our performance and what we have achieved for water consumers. We continue to deliver on the issues that matter to them, and our key numbers below show where we have made a difference:

- **£1 billion** - improvement by which the Price Review 2009 was better for customers compared to 2004 (the equivalent of over £50 per customer), which our work contributed to.
- **£135 million** - the extra benefits we have negotiated for local water companies to return to customers in the last three years.
- **83,000** - complaints handled since 2005.
- **£11 million** - the amount returned to customers in compensation and rebates since 2005.
- **21p** - what we will cost each water bill payer in 2011-12: a 20% reduction on our costs of two years ago in 2009-10.

Our performance for 2009-10 has been summarised in our Annual Review, and our financial performance has been reported in our Annual Accounts for 2009-10. We will be finalising our review of 2010-11 performance over the next few weeks and our Annual Review and Annual Accounts for 2010-11 will be published in July. We are on-track to deliver the results we outlined in our last business plan for 2010-11.

You can review last year's achievements using the links below.

[Annual Review 2009-10](#)
[Review of our Achievements 2010](#)
[Annual Accounts 2009-10](#)

Consumer research

We continue to review and carry out the consumer research that is needed to inform our Forward Work Programme, and to help us ensure that the advice we give to governments, regulators and the water companies is evidence based.

Partnership working

CCWater will work in partnership with governments¹, regulators, each water company, consumer bodies and other organisations to deliver our outputs. We will continue to work

¹ In the text of this publication, the term 'government' is used to refer to the UK and Assembly governments. The text distinguishes where our priorities differ in England and Wales to acknowledge differences in current policy, legislation and practice in the water industry sector.

with Ofwat and others to reduce regulatory burden on water companies and increase sector efficiency as we deliver our work on behalf of water and sewerage consumers.

Specific risks and counter measures

CCWater is managed using a risk based approach.

The organisation has a risk management strategy and an established Risk Register which is reviewed on a regular basis.

This Register covers all the major strategic risks which could prevent CCWater delivering its objectives and thus the benefits to consumers. An initial assessment is made of the likelihood of each risk occurring when it is placed on the Register, together with an assessment of the impact of that risk on the organisation.

For each risk we have identified:

- Key controls - what controls/systems we have in place to manage the risk.
- Assurances on controls - evidence that controls/systems are in place are effective in managing risks.

The likelihood of occurrence is regularly monitored. The framework and risks are reported to the Audit and Risk Management Committee on a quarterly basis and to the Board at least annually. The Executive Team oversees the management of risk on a monthly basis.

The steps being taken to minimise or eliminate each risk are recorded in the Risk Register and any gaps in control are identified and appropriate action taken.

The risk register is available on request.

4. OUR PRIORITY PROJECTS IN 2011-12

Value for Money - A fair, affordable charge for the service and help for those who cannot pay, creating a sustainable water service now and in the future.

What we will to do:

- ✓ Use consumer research to inform our approach and shape the way that governments in England and Wales, regulators' and water companies' address consumers' concerns with value for money, charging and affordability issues.

Affordability and Fair Charging

- ✓ Using customers' views, advise water companies, Ofwat and governments so that water charges are fair, acceptable, transparent and cost reflective;
- ✓ Consider water company charges schemes; identify and then promote more customer-focussed charging policies through our work with companies and Ofwat;
- ✓ Provide advocacy for those low-income customers in Wales and England who cannot afford their water and sewerage charges; and work with the UK Government and water companies to address the specific problems associated with high bills in the south west of England;
- ✓ Improve the awareness and take-up of the WaterSure assistance scheme, by working with water companies and governments;
- ✓ Encourage water companies and others to test and then use customers' views when designing tariffs that aim to help those who cannot afford their bills.
- ✓ Work to gain customers increased understanding, acceptance and endorsement for further investment in water and sewerage services and support for the resulting prices;
- ✓ Ensure that sewerage companies who are considering the introduction of surface water drainage charging concessions for community groups seek customers' views and can demonstrate how they have been taken in to account;
- ✓ Minimise the impact on customers' bills, and secure the best outcome from the transfer of private sewers and lateral drains to the sewerage companies from October 2011 by working with Ofwat and the companies;
- ✓ Contribute to the European Commission's review of its water policies, so that customers' priorities and their ability to pay are considered;
- ✓ Ensure the full impacts on water customers are considered as water companies develop their compulsory metering programmes in water scarce areas. We will do this by working with companies to use customers' views in the decision-making process;
- ✓ Continue to work to ensure that the costs and benefits analysis of the Water Framework Directive (WFD) leads to cost-effective investments and value for money for water and sewerage customers;
- ✓ Work in partnership to increase the contribution of non-water sectors towards delivering the objectives of the WFD, and ensure that implementation does not put an unreasonable or unfair cost burden on water customers.

Debt

- ✓ Ensure all eligible customers are helped from accruing further water debt, by examining the regional take up of the Water Direct payment option and help water companies work closely with the Department of Work and Pensions (DWP) to improve take-up;
- ✓ Seek to reduce the debt recovery costs for all customers by influencing potential legislative changes that aim to help water companies collect revenue;

- ✓ Drive good debt collection practice in water companies by conducting risk-based assessments of their activity.

The 2014 Price Review

- ✓ Inform governments, Ofwat and water company thinking so that consumers' views are central to decision-making during price reviews;
- ✓ Press for regulatory incentives that will encourage water companies to put forward customer-supported business plans at price reviews;
- ✓ Promote a role for an independent water consumer body to scrutinise and approve the validity of water companies' consumer engagement plans, consultation plans and consumer research during price reviews in liaison with the quality regulators;
- ✓ Influence water companies and Ofwat so that the long term strategic direction statements are developed using local consumers' priorities and views;
- ✓ Promote the use of the quadripartite groups and Wales Water Industry Forum by water companies to create strategic plans that consumers find acceptable;
- ✓ Introduce terms of reference to quadripartite groups in England² so that they are as consistent and effective as possible during the price setting process;
- ✓ Press for water companies to create sustainable solutions to water or sewerage issues to reduce carbon emissions and long-term costs.

Competition and Business Customers

- ✓ Represent business customers' views that any development of competition must focus on their requirements and give them a real choice of supplier.
- ✓ Continue to press that any extension to competition is evidence based, and that where a competition regime develops, it is not to the detriment of water customers ineligible for competition.
- ✓ Ensure there is no disadvantage to business and domestic customers where they have their water supplied by a different water company e.g. a New Appointment or Variation (NAV).

Other

- ✓ Encourage water companies to give their water customers extra services, added investment or reduced bills from greater than expected water company profits.

What our work seeks to deliver	How our success will be measured
Affordability and Fair Charging	
A sustainable water and sewerage service that delivers fair and affordable charges for customers.	Tracking research shows an increase on the 66% of customers that currently think their water bill is fair and the 75% that currently feel their bill is affordable. ³
Water customers are engaged with local water company's decisions that impact their water bills - such as surface water concessions, infrastructure resilience to natural hazards costs, social tariffs and compulsory metering - and find the outcomes more acceptable.	Tracking research shows customer satisfaction with value for money improves from the current level of 72%.
Help and protection for those who are disadvantaged, vulnerable or cannot afford	The number of customers receiving help through WaterSure, Welsh Water Assist and

² The Wales Water Industry Forum already have terms of reference.

³ CCWater Tracking Research 2010 - all percentages referred to in this document are from our tracking research 2010.

to pay their water bill.	other schemes increase.
Compulsory metering in water scarce areas takes full account of the impacts on water customers; the most appropriate pace of implementation; and provides suitable protection for customers who will face higher bills.	Company plans to take compulsory metering forward will be well researched, influenced by customer views, communicated well and provide appropriate support for customers during the transitional period and beyond.
Water customers make a fairer contribution towards the cost of investments that implement the Water Framework Directive (WFD) and any gains we have made for water customers are maintained. ^[1]	Other sectors, as measured against the River Basin Management Plans, increase their involvement and share their fair proportion of the costs.

Debt	
Customers on benefits will have an option to manage their finances better, and reduce any debt, by making regular payments direct to their water company from their benefits.	Number of benefit recipients making payments through Water Direct increases from 190,000.
Help drive good practice across the water industry in dealing with the growing problem of outstanding revenue from unpaid water bills.	Water companies with problem areas take action to improve their practices. Future monitoring demonstrates that the issue is improving or no longer exists.
The 2014 Price Review	
Customers' bills will reflect their priorities and willingness to pay, and bills will be increasingly acceptable to customers.	Ofwat's methodology for future price setting states that customers will be engaged with the decisions that affect their water and sewerage bills at the next price review.
Customers inform and find acceptable the long-term investment plans for local water and sewerage schemes.	Ofwat require water companies to engage consumers effectively and their strategic direction statements demonstrate how companies have accommodated customers' priorities and views.
Competition and business customers	
Where a competitive regime exists, the development of the competition will meet the needs of eligible business customers without detriment to those that cannot switch their water and sewerage services provider.	Where a competition regime exists, business customers (who use more than 5Ml a year) report satisfaction with the progression of the competition regime towards lower prices, better services from water companies and a real choice of supplier.
Other	
Water companies provide extra services additional investment or reduced bills for their water customers where they have greater than expected profits or outperformance.	Water companies respond to CCWater requests in discussion with customers or CCWater locally.

^[1] Some of the work we are involved with relates to long-term projects and our goals might not be realised in the year when the activity is undertaken.

Right First Time - *Problems sorted out quickly and without hassle*

What we will do:

Complaints Handling

- ✓ Ensure customer complaints to water companies continue to reduce and consumer satisfaction increases by working with water companies and Ofwat;
- ✓ Provide a fair, effective and consistent complaint handling service for consumers when their water company does not deliver good service;
- ✓ Press the companies who receive above average complaint numbers to improve by highlighting areas of concern and good practice elsewhere in the industry;
- ✓ Map the complaints we receive through our integrated IT system and identify 'hot spots' from geographic areas, paying close attention to those areas that are highly deprived;
- ✓ Ensure Ofwat's Service Incentive Mechanism (SIM) delivers results for customers, sufficiently penalising those water companies who do not get their service right first time and incentivising those who do.

Benchmarking

- ✓ Identify water company best practice, highlight and praise the better performing water companies and press any underperforming companies to improve;
- ✓ Benchmarking our complaints handling work to ensure that it compares well with similar and appropriate organisations.

Empowering Consumers

- ✓ Improve and further develop our comprehensive on-line database of frequently asked questions about water company policies, providing an efficient and effective self-help answer service for consumers' questions.

Improving Water Company Performance

- ✓ Improve water companies' complaint handling and debt management practices by using a risk-based assessment process and working locally with the companies on improvements;
- ✓ Use real customer case studies to demonstrate examples of poor company service and help water companies to fix any shortcomings and avoid repetition;
- ✓ Work locally with Citizens Advice, Age UK and other relevant organisations to explore their clients' experiences with water companies and work with companies on any required improvements;
- ✓ Work locally with water companies to minimise customer complaints about annual water and sewerage bills.

What our work will seek to deliver	How our success will be measured
A good quality water and sewerage service for water consumers with water companies responding to customers' needs and concerns.	Industry - Consumer satisfaction with basic delivery of the water and sewerage service remains at the current level of 93%. CCWater - Consumer satisfaction with the quality of CWater's complaint handling service is at least 72% as we work towards a benchmark target of 80%.
Provide a fair, effective and consistent	Performance targets for complaint response

<p>complaint handling service across our local and Welsh offices.</p>	<p>and resolution remains high. 99.5% of complaints get a response within 5 days 77% of complaints are resolved within 20 days 90% of complaints are resolved within 40 days</p> <p>Consumer surveys show we have met or improved on: Speed 78% Outcome 61% Courtesy 91%</p> <p>CCWater compares well in the 2011 benchmark report to other similar organisations.</p>
<p>Responsive water companies who work to sort complaints out first time.</p>	<p>Annual complaints to water companies will reduce to below the 2009-10 level of 190,000.</p> <p>Repeat complaints about the same issue will fall below 15,000.</p>
<p>Empowered water consumers have access to appropriate information in our website consumer-support area and are able to take action on their water or sewerage problem.</p>	<p>The numbers of consumers who visit our consumer-support website will increase beyond 45,000 visits during 2011-12.</p>
<p>Consumers and customers served by currently poor performing water companies will see improved service based on the issues that matter to them.</p>	<p>Through the pressure created by our work, poor performing water companies will improve and move closer to the industry average of 64 written complaints per 10,000 connections in 2011-12.</p>
<p>More consumers receive the service they want as we monitor Ofwat's Service Incentive Mechanism (SIM) to assess whether water companies are sufficiently incentivised to deliver good customer service. We will also assess if the penalties are sufficient if companies do not get their service right first time.</p>	<p>Quantitative elements of the SIM improve on the previous year for the industry: Complaints will reduce below 190,000 Escalations will reduce below 15,000 CCWater Investigations will reduce below the current level of 635.</p> <p>The qualitative survey within the SIM shows water companies compare well to other utilities / services.</p>
<p>Moving to risk-based consumer service assessments will deliver improved service for customers and focus our resources on to companies who we have concerns with.</p>	<p>Water companies with problem areas take action to improve their customer service. Future assessments show water companies adopt the recommendations made from assessment panel visits.</p>
<p>Vulnerable and disadvantaged water consumers will be represented and protected by pressing those water companies whose service to vulnerable consumers could be improved.</p>	<p>The number of vulnerable consumer complaints to CCWater that we refer to companies reduces as companies improve their service offering.</p>

Water on Tap - Safe, reliable, good quality tap water that is sustainable and consumers use wisely.

What we will do:

Consumer Empowerment

- ✓ Promote consumers' rights and responsibilities in using water wisely around their homes and businesses through our consumer relations activities, press releases and our website;
- ✓ Encourage consumers to choose tap water and reduce their carbon footprint. We will do this through our press releases and our website. Also continue to help promote access to safe, clean, free tap water in public spaces, pubs, clubs, restaurants and cafes.

Drinking Water

- ✓ Ensure any concerns relating to water safety and quality are properly addressed;
- ✓ Make sure that consumers receive appropriate and timely information and advice on drinking water quality by working with the Drinking Water Inspectorate (DWI) and water companies.

Water Resources

- ✓ Raise consumers' awareness of water resources issues and the impact that our water use has on the environment and energy use. We will do this through the media, our website and through partnerships with the water companies and other key stakeholders such as the Energy Savings Trust;
- ✓ Ensure that water efficiency information is easily available in a clear and helpful form which will allow consumers to make informed choices about their water use. We will do this by continuing to work with water companies, regulators and other stakeholders;
- ✓ Ensure that at times of potential drought the local water company has an effective communications strategy that will inform, guide and update their consumers;
- ✓ Support water companies' efforts to reduce the carbon footprint of their water supply operations through work on resource plans and strategic direction statements;
- ✓ Work with water companies to ensure that consumers' views on local water resources strategies are sought and influence future plans;
- ✓ Monitor how water companies are planning for climate change and population growth as they develop their water resource management plans.

The 2014 Price Review

- ✓ Work locally with water companies as they develop their 25-year strategic direction statements and water resource plans to ensure engagement with consumers is well-balanced and will capture consumers' views and priorities.

Competition

- ✓ Advise the UK government so that water consumers' interests are central to legislative proposals for competition in water resources, treatment and distribution of water in response to the Water White Paper.⁴

Flooding and the Impact on Consumers' Water Supply

- ✓ Understand and represent consumers' priorities to inform the work on standards of water infrastructure resilience for continuity of services during and after flooding events;

⁴This is not relevant to Wales as the Assembly Government has decided not to support either the separation of the retail and network businesses in the water sector or further competition for domestic customers following the outcome of the Cave Review on competition and innovation in Water Markets in 2010;

- ✓ Represent consumers' views of how a water company and other organisations should cooperate to prevent, mitigate impacts and risks and to respond to impacts of flooding in government work, and the development and implementation of relevant guidance and legislation.

What our work will seek to deliver	How our success will be measured
Water Quality	
Consumers are satisfied with the safety of their tap water as we work with the water companies and the Drinking Water Inspectorate (DWI) to address consumers' concerns.	At least as many consumers as now (93%) are satisfied their tap water is safe.
Appropriate support and information for water consumers on water supply issues and during a poor water quality or major interruption/event.	Water companies communicate effectively during any major water quality, water supply or drought event with clear, timely, helpful information and advice, and - where necessary - alternative water supplies available.
Water Resources	
Consumers are satisfied with the reliability of their water supply.	Consumers remain satisfied they have a reliable water supply. 97% of consumers agreed in 2010-11.
More consumers recognise the need to use water more wisely.	An increasing number of consumers advise they have taken action to use water more efficiently (76% ⁵ in 2010-11).
Customers receive a water service they find acceptable at a price they are willing to pay.	Local water company water resource and strategic plans show evidence of customers' views influencing their plans.
The water supply of future generations of water consumers is considered by water companies and they adopt sustainable long term water resources strategies that will address the impacts of climate change and population growth.	In reviewing their water resource management plan the company will demonstrate they have taken account of the best available information and sought the most sustainable means of balancing supply and demand.
Competition	
Ensure consumers' interests are central to the competition work of Ofwat and UK Government on legislative proposals for competition in resources, treatment and distribution of water and the treatment of sewage.	Proposals for legislation on competition, where a competition regime exists, protects those who are ineligible and clearly demonstrates the benefits for and impact on consumers.
Flooding and infrastructure resilience	
Infrastructure resilience, good operations and maintenance will help maintain and restore consumers' water supply in emergencies.	Consumers' views will inform discussions on the appropriate level of water infrastructure resilience for continuity of service during and after flooding events.
Consumers will be well informed during a flooding event.	Consumers, CCWater and local offices receive accurate information and regular updates on service interruption and restoration.

⁵ This was the year of the drought in United Utilities area.

Clearing up - Successful delivery of a sustainable wastewater service with minimal sewer flooding.

What we will do:

Reduce Risk of Sewer Flooding

- ✓ Reduce the number of properties at risk of sewer flooding by working with local sewerage companies to ensure agreed investment for 2011-12 is delivered, and that the delivery of this investment is prioritised to ensure properties at most risk receive attention first;
- ✓ Ensure the worst cases of sewer flooding get dealt with first by working with Ofwat on a new methodology for measuring and monitoring the risk of sewer flooding in England and Wales;
- ✓ Promote best practice across the industry by reviewing sewerage companies' policies for responding to sewer flooding incidents, compensation levels and plans for communicating with affected consumers;
- ✓ Ensure water companies meet their obligation to work with local authorities, the Environment Agency and other partners in managing surface water and delivering local flood management strategies by monitoring performance.

Consumer Information

- ✓ Raise consumer awareness of the responsible use of drains and sewers, to help reduce the number of sewer blockages caused by the disposal of fats, oils, grease and other inappropriate materials into sinks and toilets;
- ✓ Assist government, water companies and regulators to inform and advise consumers about the implications of the transfer of private sewers and lateral drains to the sewerage companies in October 2011;
- ✓ Raise awareness of the problems caused by sewer misconnections by working with governments and the industry.

Sustainable Solutions to Wastewater Problems

- ✓ Promote low-carbon solutions to sewerage problems by working locally with sewerage companies and Ofwat and the Environment Agency;
- ✓ Work locally with sewerage companies as they develop their 25-year strategic plans to ensure engagement with consumers is well-balanced and will capture consumers' views and priorities;
- ✓ Support sewerage companies' generation of energy as a result of sewage treatment;
- ✓ Work with governments on developing relevant wastewater legislation to ensure consumers' views are represented.

What our work will seek to deliver	How we will measure our success
Fewer consumers living with the fear of sewer flooding.	A reduction in 2009-10 levels of sewer flooding.
Better prioritised sewer flooding investment decisions.	A new methodology is adopted by Ofwat and the sewerage companies that measures the number of properties at risk of sewer flooding - properties that have already flooded and properties that are at risk of flooding in the future.
Fewer consumers suffering sewer	Targeted communications strategies from water

<p>flooding caused by inappropriate disposal of fats, oils and grease into sewers and drains.</p>	<p>and sewerage companies, using consistent messages agreed with CCWater and other relevant parties, to influence consumers to change waste disposal behaviour.</p>
<p>Informed water consumers who are aware of the impact of the transfer of private sewers and lateral drain responsibility from customers to water companies and the effect on their water bill.</p>	<p>Governments, water and sewerage companies, and other key parties have communication strategies in place to deliver consistent messages to consumers about the transfer.</p>

Speaking up for Consumers - *Achieve improvements for water consumers and help local consumers' views be the drivers of key decisions that affect their water bill.*

What we will do:

Communication

- ✓ Be accessible to all those who need our services or work with us;
- ✓ Communicate in a way that consumers will relate to and easily understand;
- ✓ Evaluate and adopt new methods of communication where they can help us to reach our audience and provide them with the most appropriate information;
- ✓ Raise consumers' awareness of water issues through the media. We will develop effective media relationships to ensure the consumer's voice is heard on all relevant issues;
- ✓ Work with water companies to raise consumers' awareness of any special assistance services available to them.

Water consumers at the heart of decision making

- ✓ Assist European institutions, governments, Ofwat and water companies to use consumers' priorities and views when developing policy and when making decisions.
- ✓ Promote the use of local elected representatives in water companies' consumer panels, groups and forums, and press for them to consult elected representatives separately if there are key decisions being made that affect bills, such as the introduction of social tariffs, or surface water drainage concession charges.
- ✓ Promote the use of local forums⁶ to negotiate on key issues that affect water consumers' bills or services;
- ✓ Make sure consumers more fully understand their rights and responsibilities by working with water companies and key organisations on their communications and education activities.
- ✓ Support water consumers with a readily accessible knowledge database to allow them to research information in relation to their individual situations.

What our work will seek to deliver	How we will measure our success
Media - Gain media coverage for each of the main CCWater priority areas in the Forward Work Programme, measured through Opportunities to See (OTS) and Advertising Value Equivalent (AVE), new measures for this year.	Achieve at least 45,000,000 Opportunities to See ⁷ Achieve at least £750,000 worth of Advertising Value Equivalent.
Web site - Maintain at least the number of web site hits to the	Maintain at least 2010-11 levels.

⁶ This could be through the existing quadripartite groups/Wales Water Industry Forum system

⁷ Opportunities to See (OTS) - media evaluation tool detailing how many people will read, view or listen to each piece of media coverage about CCWater

Advertising Value Equivalent (AVE) - media evaluation tool converting CCWater media PR coverage into how much it would have cost if an advertisement was placed and paid for.

CCWater web site by ensuring content is firmly linked to water consumers and the activity undertaken by CCWater.	
Empowered water consumers who are aware of their rights and responsibilities.	An increase from the current 58% ⁸ of water consumers who are aware they can have a meter fitted free of charge. An increase from the 37% of those who are aware they can have a meter for a year's trial.
All consumers are able to access the full range of water and sewerage services.	An increase in water consumers who are registered on the water companies' special assistance services register from 134,606.
Water consumer involvement on key European water policy decisions.	Consumers' views are used to inform the European Commission's ' <i>Blueprint to Safeguard European Waters</i> '.

⁸ CCWater Tracking Research 2010

Making sure our own support services are effective and cost efficient

CCWater has successfully run its own in-house Human Resource Management, Finance and Library and Information Services since 2010. CCWater has access to both internal and external advice on any legal issues.

We are actively exploring with related organisations (Ofwat, Consumer Focus and Citizens Advice), the options for greater sharing of some of our activities. We will continue to support Consumer Focus with its procurement activities.

At the end of 2010 we competitively retendered for our computer services. Being mindful of the review of CCWater's future a decision was taken to negotiate a new contract with our existing suppliers (Northgate) for two years without refreshing the equipment. This will provide best value for money while the uncertainty over the future of CCWater exists.

Being aware of the current economic pressure CCWater has for the second year reduced its costs and will for 2011-12 cost household and business customers about 21p a year.

The reduction in our costs will impact on our ability to respond to unplanned events. If for example there is a large increase in the number of customer contacts due to a problem at a water company then, following appropriate discussions with the company, we may look to that company to fund any short term resources needed to manage the additional customer contact. This could follow the example of Southern Water providing us with an additional member of staff⁹ for a year after our London office's customer contacts increased significantly due to the problems Southern Water's new billing system was having.

What our support work will seek to deliver	How we will measure our success
Reliable and secure IT systems that support CCWater's staff.	The network is available 99% of the time.
	The website and intranet are available 99% of the time.
	There are no data security breaches.
Safe and Secure environment for CCWater staff to work in.	There are no occurrence of reportable workplace incidents as per the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
	For staff training - there is 95% attendance. Annual Updates on Health & Safety and Security.
Efficient Human Resources Support	There are prompt offers of employment letters following final interview - 99% within 10 working days.
	Short and long term sickness levels are managed below those of the public sector.
	Turn over rate will be managed below public sector levels (8.6%).
Efficient systems that support staff, which is shown through internal and external auditing.	Satisfactory (or better) ratings by our internal auditors.
	All internal Audit accepted recommendations implemented within six months.
Efficient Finance and Budget Management to	Manage and control spending within 15% variance of each quarter's budget.

⁹ At a cost of around £18,000

ensure there is accountability for how water customers' money is spent.	<p>Annual spend to remain within budget</p> <p>Invoices will be paid promptly - 90% within 20 working days. 80% within 5 working days (As per Government Commitments)</p>
Good Internal Communications that make sure staff are well-informed.	Maintain or improve level of staff confidence in the internal communications channels from around 66% (2010), through measurement in the annual (revised) staff survey, on the basis of the "I feel I am kept informed" question.
Staff overall satisfaction with job (from our staff survey)	Despite the uncertainty over the future of CCWater and concerns over pay, we will maintain or increase from 62% the number of staff who are satisfied with their present job.
Openness and Transparency	
Access to our activities - Opportunities to come along to those CCWater Board and Committee meetings which are held in public, and information about the issues under discussion.	All meetings are convened at least 6 working days in advance.
	All meetings are advertised on our website or the details published at least 7 working days in advance.
	All agendas and available papers are published on the website at least 7 days before the meeting.
	All papers for meetings held in public will be published on our website within 7 working days of the meeting.
Availability of CCWater's research work.	All research findings will be published within 1 month of the sign off of the final report.
Prompt responses to Information requests	All Freedom of Information requests will be responded to within 20 working days
Availability of information on CCWater's new contracts, payments to suppliers and Board members expenses.	All expenditure of more than £25k will be published in line with Government requirements.
	In line with Government requirements - all ICT contracts of more than £10K will be published.
	All Board members expenses will be published within 3 months of quarter end.

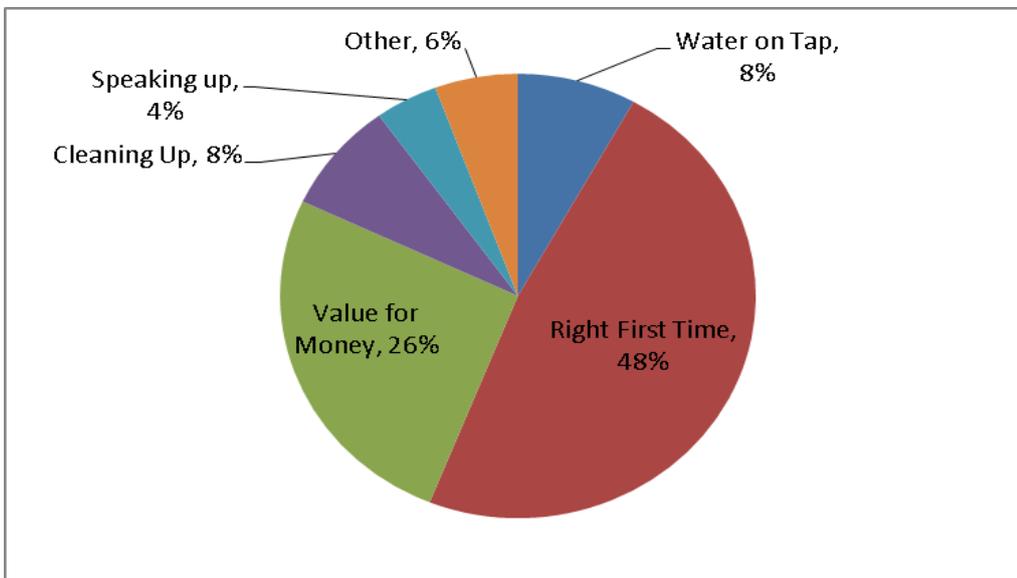
6. RESOURCES

We will continue to monitor CCWater’s performance ensuring that we deliver value for money and are well placed to deliver effective consumer representation.

For 2011-12 CCWater has a budget of £5.48m and staff of 77(full time equivalents) working from offices in Birmingham, Bristol, Cambridge, Cardiff, Darlington, Exeter, London and Manchester. We cost the taxpayer nothing. We cost water customers about 21p per year.

We also have 54 Committee members, 1 Chair, 4 Regional Chairs in England, 1 in Wales and 4 independent board members. Our organisation structure is set out at **Appendix B**.

CCWater’s resources will be allocated as follows:



7. GOVERNANCE

CCWater will continue to represent consumers' priorities and interests across England and Wales using our existing office network.

Governance

The key parts of the organisation's governance framework consist of:

- The Board, comprising the Chair of the organisation, the Chief Executive, the Chairs of the four English regions and the Chair for Wales, and four independent members. Board members meet at least eight times during the year and four of those meetings are formal Board meetings open to the public.

Three Board committees, with remits for: Audit and Risk Management, Finance and Resources, and Remuneration.

- Four English regional committees and one for Wales support the Board of the Consumer Council for Water by providing information and advice.
- The Chief Executive supported by the Executive Team

The National Audit Office undertakes the external audit function and internal audit services are provided by an external commercial organisation.

APPENDIX A: Legal functions, duties and powers of CCWater

CCWater's primary functions are to provide advice and represent customers on water matters and to investigate and handle complaints made against licensed water suppliers or companies. CCWater has duties to represent the interests of customers of licensed water suppliers in the new competition regime that came into operation on 1 December 2005, as well as the interests of customers of water and sewerage companies.

CCWater has the following specific powers, duties and powers under the Water Industry Act 1991 (as amended by the Water Act 2003):

- **S27A (12) Establishment of the Council and Committees** - requires CCWater to exercise and perform its powers and duties in the manner which it considers is best calculated to contribute to the achievement of sustainable development.
- **S27B Co-operation between Council and other authorities** - requires CCWater to agree a memorandum of understanding with the Authority (Ofwat), the Secretary of State (Defra and DWI) and the Welsh Assembly Government.
- **S27C The interests of consumers** - requires CCWater to have regard to the interests of :
 - a) individuals who are disabled or chronically sick;
 - b) individuals of pensionable age;
 - c) individuals with low incomes;
 - d) Individuals residing in rural areas: and
 - e) Consumers who are ineligible to change their water supplier.
- **S27D Acquisition and review of information** - provides for CCWater to obtain and keep under review information about consumer matters and the views of consumers.
- **S27E Provision of advice and information to public authorities** - provides for CCWater to make proposals, provide advice and information about consumer matters and represent the views of consumers to public authorities, undertakers, licensed water suppliers and other persons whose activities may affect consumers.
- **S27F Provision of information to consumers** - provides for CCWater to provide information to consumers about consumer matters.
- **S27G Power to publish information and advice about consumer matters** - (subject to certain conditions) gives CCWater the power to publish advice or information about consumers' matters or consumers' views where it would promote the interests of consumers.
- **S27H Provision of information to the Council** - (subject to certain conditions) provides for CCWater to request information from the Authority, undertakers or licensed water suppliers.
- **S27J Provision of information by the Council** - provides for CCWater to provide information to the Authority, Secretary of State or the Welsh Assembly Government.
- **S29 Consumer complaints** - provides for CCWater to deal with complaints about the services provided by an undertaker or licensed water supplier.
- **S29A Power of Council to investigate other matters** - gives CCWater the power to investigate any matter which appears to it to be a matter relating to the interests of consumers.
- **S38B Publication of statistical information about complaints: (water)** - requires CCWater to publish statistical information relating to complaints received by undertakers, licensed water suppliers and regulators about water services.
- **S95B Publication of statistical information about complaints (sewerage)** - requires CCWater to publish statistical information relating to complaints received by undertakers and regulators about sewerage services.

Appendix B: Organisation Chart - April 2011

