

CONSUMER COUNCIL FOR CYNGOR DEFNYDDWYR



CONSUMER COUNCIL FOR WATER

OPERATIONAL BUSINESS PLAN

2012/2013

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1. INTRODUCTION

The Consumer Council for Water (CCWater) Operational Business Plan outlines how we will deliver our Forward Work Programme during 2012/13. It also sets out what benefits we will deliver for consumers during the next year, and how our success should be measured.

Our priority continues to be ensuring that domestic and business consumers get a good, reliable water and sewerage service from their local water company at a price they find acceptable and can afford and that any issues and concerns water consumers have are addressed. We will work with business customers so their needs are understood and represented on the day to day issues that concern them, and as the proposed water market reform develops in England.

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 sewerage system that works; water companies getting their service right first time; and speaking up for both business and domestic consumers.

CCWater will change the way it operates during 2012 by adopting a more risk-based approach. We will focus on issues that bring most benefit to customers. We will only challenge where we have concerns on behalf of customers.

Our past successes for consumers are sizeable and give us a strong base on which to build as we move forward in a changing environment. We have directly helped over 94,000 people since we were set up and have secured them more than £13.7 million 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.

In 2012/13 we will continue to limit the cost of CCWater to household and business customers to around 21p a year. We will respond to the increased workload required by the Price Review, discussions on tariffs and complaint handling from our existing resources and at no extra cost to customers.

The Department for Environment, Food and Rural Affairs (Defra), in its Water White Paper¹ has agreed the role of CCWater should be maintained until at least 2014 to ensure customers' views are well represented at the 2014 Price Review. The Welsh Government has signalled it intends to retain CCWater to provide a clear focus for the interests of water customers in Wales. We welcome the commitment to retain CCWater's expertise and to deliver improved outcomes for customers. We believe an alternative to how water consumers are represented must prove it can offer more benefits than CCWater currently delivers.

We agree with Defra, the Welsh Government and David Gray that there is more work to be done for water consumers. Our Forward Work Programme shows we are ready and able to take on new duties and responsibilities suggested by the Gray report². This would strengthen our role in representing business customers, reviewing companies' charges proposals and metering policies in England, and dealing with some complaint types that Ofwat currently handles.

¹ Defra's Water for Life [here](#) and the Welsh Government's Written Statement on Water Policy [here](#)

² Link [here](#) to the Defra and Welsh Government Review of Ofwat and consumer representation in the water sector led by David Gray

Our priority areas of work for 2012-13 are:

- *Value for Money - A fair, affordable charge for the service and help for those who cannot pay, creating a sustainable water and sewerage 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.*
- *A Sewerage System that Works - Successful delivery of a sustainable wastewater service with minimal sewer flooding.*
- *Speaking up for Water Consumers - Achieve improvements for water consumers and help local consumers' views be the drivers of key decisions that affect their water bill and services.*

Defra and the Welsh Government have seen our draft Forward Work Programme. We have a separate Forward Work Programme 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 competitive water 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 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.
- **94,000** - complaints handled since 2005.
- **176,282** - enquiries handled since 2005.
- **26%** reduction in complaints to CCWater about water companies from 2009/10 to 2010/11 due to our pressure on companies to get it 'right first time'.
- **92%** reduction in number of complaints about water companies we have had to investigate in the five years from 2005/6 to 2010/11.
- **£13.7 million** - the amount returned to customers in compensation and rebates since 2005.
- **22%** percentage point improvement in customer satisfaction to 75% in 2010/11 with CCWater's quality of service when resolving complaints against water companies since 2005.
- **197%** increase in the number of customers signing up to the WaterSure scheme for vulnerable consumers in the 4 years since CCWater's project to rebrand the scheme and introduce a standard simplified application form.
- **21p** - approximately what we will cost each water bill payer in 2012/13, nearly a 20% reduction on 2009/10. In addition we have absorbed inflationary costs for 2012-13.

Our performance for 2010/11 is summarised in our Annual Review, and our financial performance is reported in our Annual Accounts for 2010/11. We will be undertaking our review of 2011/12 performance during April and our Annual Review and Annual Accounts

for 2011/12 will be published in July. We are on-track to deliver the results we outlined in our last business plan for 2011-12.

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

[Annual Review 2010-11](#)

[Review of Achievements 2010-11](#)

[Annual Accounts 2010-11](#)

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. We will also use sources within the water industry and from other sectors where appropriate.

Partnership working

CCWater will work in partnership with the UK and Welsh Governments, regulators, each water company, consumer bodies, European institutions and other organisations to deliver outcomes on behalf of consumers. We will continue to work 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 and scrutinised by 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 six-weekly 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 2012-13

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

What we will do:

- Use consumer research to inform our approach and help shape the way that Governments in England and Wales, regulators' and water companies' address consumers' concerns with value for money, charging and affordability issues.
- Be guided by the recommendations from the Gray Review³ which stated that:
 - CCWater should have a greater role in considering proposed changes to charges and tariffs- including social tariffs, and in helping business customers, particularly in the move to market reform in England and during the roll out of compulsory metering in some parts of England.
 - The quadripartite process (through the Customer Challenge Groups) and Wales Price Review Forum should be strengthened and formalised.
- Use consumers' views to influence the Water Bill and the Welsh Government's Strategy on Water, during 2012-13.

Affordability and Debt

- Seek improved water affordability (including for those subject to compulsory metering in some parts of England) by pressing for legislation, based on customers' views, to address the issue.
- Ensure that companies undertake effective customer engagement and take full account of their customers' views when considering the introduction of social tariffs. The Gray Review recognised that a "strong consumer view" will be important during the introduction of social tariffs.
- Enable domestic and business customers to reduce their bills by helping raise awareness of tariff options and assistance schemes - through direct promotion and by working with companies to help improve their customer communication.
- Work in partnership to increase the contribution of non-water sectors towards delivering the objectives of the Water Framework Directive (WFD), and ensure that implementation does not put an unreasonable or unfair cost burden on water customers.
- Help low income customers manage their water bill by using low income customers' views to inform any decisions on changes to the Department of Work and Pensions' Third Party deduction Scheme, Water Direct, or the development of any similar schemes.
- Ensure that customers in debt and on benefits have ready access to Water Direct by monitoring customer utilisation of the scheme.
- Ensure that customer in debt are treated reasonably by driving good debt collection practice in water companies through conducting assessments of their activity on a cyclical basis.
- Help water companies' revenue collection to be appropriately tailored to the customer by supporting the implementation and communication of non-owner occupier regulations by the UK and Welsh Government.

³ Link [here](#) to the Defra and Welsh Government Review of Ofwat and consumer representation in the water sector led by David Gray.

Fair Charging

- Ensure companies have customer-focussed charging policies by:
 - identifying unsatisfactory policies and pressing for improvement; This responds to the Gray report's⁴ view that CCWater should be "a formal consultee on significant tariff changes".
 - influencing companies, the UK Government and Ofwat as they consider new policies and proposals in relation to water charging both in the non-contestable and contestable market in England.
- Help secure the successful implementation of public expenditure measures to mitigate high bills for household customers of South West Water by working with the Company. Represent the interests of business customers who are not helped by the UK Government's current proposals.
- Work with companies who are installing more meters to ensure their policies are fair and to take account of customers' views, concerns and the impacts on all customers. The Gray Review recognised that a "strong consumer view" will be important in relation to the on-going roll-out of compulsory metering in some regions within England. The Welsh Government does not support compulsory metering at this time, so this aim is not applicable for customer in Wales.

The Next Review of Water Prices in 2014

- Ensure consumers' views are central to methodologies and decision-making during the next price review, by informing Governments, Ofwat, regulators and water company thinking. Working within the Customer Challenge Groups will respond to Gray's view that the quadripartite/Wales PR09 Forum process should be 'strengthened and formalised'.
- Ensure that water customers' perspective is considered in Ofwat decisions on the assumptions made on cost of capital, efficiency and other significant influences on customers' bills by using evidence of customers' views. Our views can be delivered during meetings of Ofwat's Customer Advisory Panel.
- Make sure that water companies develop a credible picture of its customers' views by scrutinising and challenging companies' customer engagement and consultation plans and consumer research as part of our role in water companies' Customer Challenge Groups and the Welsh Government's Wales Price Review Forum.
- Help protect customers by encouraging a company's Customer Challenge Group to report to Ofwat if concerns on customer engagement are not acted upon by the local water company.
- Press water companies to use local consumers' priorities and views as they develop their long-term strategic plans and challenge where they do not.
- Help protect customers by encouraging the Customer Challenge Group to report to Ofwat if 25-year strategic plans are not developed using local consumers' views and priorities.
- Press for the outcomes of business plan decisions to be customer-focused, and conform to customers' priorities and willingness to pay.
- Encourage water companies to put forward customer-supported business plans at the next price review by pressing for regulatory incentives in Ofwat's PR14 methodology consultation.
- Encourage good value for money approaches by challenging the water companies to provide cost-effective solutions to water or sewerage issues.
- Press for water companies to create sustainable solutions to water or sewerage issues to reduce carbon emissions and long-term costs.

⁴ Link [here](#) to the Defra and Welsh Government Review of Ofwat and consumer representation in the water sector⁴ led by David Gray.

- Continue to work to ensure the Water Framework Directive (WFD) leads to cost-effective investments and value for money for water and sewerage customers, through costs and benefits analysis.

Business Customers

- Represent business customers' views by focusing on their specific requirements and informing the industry and regulators so that their views are central to decision making.
- Represent business customers using views gained from research and from our Business Customer Group and the Welsh Government's Business Customers' Forum.
- Follow up unresolved complaints and raise them with the water companies.
- Consider the findings of our research with small and medium sized businesses and work with water companies to consider the issues faced by this group of customers.
- Look at cross boundary challenges for business customers who work across England and Wales.

This increased emphasis on business customers responds to the Gray Review's recommendations.

Market Reform in England

- Help deliver real benefits to business customers in terms of price and service at an appropriate pace by working closely with the UK Government and Ofwat so the proposed package of market reform, to increase choice for business customers, meet customers' expectations.
- Continue to press that the proposed extension of market reform is evidence based and is not to the detriment of customers that are not eligible to switch supplier or choose not to switch.
- Ensure there is no disadvantage to business and domestic customers where they have their water supplied by a different water company under a New Appointment or Variation.
- As recommended by the Gray Review, we will work with the industry to ensure appropriate action is taken where customers may be negatively impacted by the proposed market reform measures in England or the activities surrounding it, such as mis-selling.

Exploring Market Reform and Innovation in Wales

- Work with the Welsh Government to establish the best option to meet business customers' needs in Wales.
- Respond to the Water Strategy for Wales consultation as it explores the role of market reform and regulatory mechanisms in driving improvement and innovation in the industry.

Abstraction Reform

- Help ensure that the proposed changes to the abstraction licensing regime result in a sustainable system that benefits all water customers (business and domestic). We will do this by working closely with the regulators (Defra, Environment Agency (EA), Ofwat) and other parties involved in the UK and Welsh Governments' plans for abstraction reform.
- Encourage steps to align plans such as the Water Resource Management Plans (WRMPs), so that customers are consulted on a full package of measures at price reviews, by working with the regulators (Defra, EA, Ofwat) and water companies. The UK and Welsh Governments proposals to reform the current abstraction licensing regime and the resulting approach to trading could be a good opportunity to do so.

Other

- Encourage water companies to give their water customers extra services, added investment or reduced bills from greater than expected water company profits.
- Keep the cost of the transfer of private sewers down by pressing companies to have efficient, phased programmes of repair and replacement, and by challenging companies where costs seem high.

What our work seeks to deliver	How our success will be measured
Affordability and Debt	
A water and sewerage service that customers perceive is value for money.	Tracking research shows customer satisfaction with value for money improves from the current level of 72%.
A sustainable water and sewerage service that delivers fair and affordable charges for customers.	Tracking research shows an increase on the 74% that currently feel their bill is affordable. ⁵
Help and protection for those who are disadvantaged, vulnerable or cannot afford to pay their water bill.	The number of customers receiving help through WaterSure, Welsh Water Assist and other schemes increase.
Company social tariffs will help address local water affordability and take full account of customers' views.	Company proposals will be well researched, effective in helping to address affordability and have broad customer support.
In England, compulsory metering in water scarce areas takes full account of customers' views and the impacts on them; the most appropriate pace of implementation; and provides suitable protection for customers who will face higher bills.	English water 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.
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 the current Water Direct increases from 210,000.
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.
Fair Charging	
Fair and customer focussed water charging policies.	Tracking research shows an increase on the 67% of customers that currently think their water bill is fair.
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 in England - and find the outcomes more acceptable.	Tracking research shows customer satisfaction with value for money improves from the current level of 72%.
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. ⁶	Other sectors, as measured against the River Basin Management Plans, increase their involvement and share their fair proportion of the costs.

⁵ CCWater Tracking Research 2011 - all percentages referred to in this document are from our tracking research 2011.

⁶ 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.

Business customers	
Business customers' views influence decision making on relevant issues, including charging, transparency, and market reform.	<ul style="list-style-type: none"> • Water companies' policies reflect best practice for issues that affect business customers. • Government policies take into account evidence of business customers' views and preferences.
The Next Review of Water Prices in 2014	
Company investment plans and customers' bills reflect customers' priorities and willingness to pay.	<ul style="list-style-type: none"> • The PR14 methodology has appropriate incentives for companies to build their Business Plans around customer requirements and acceptability. • Companies' customer engagement strategies reflect recognised good practice and effectively capture evidence of customer views. • Companies demonstrate to local Customer Challenge Groups (CCGs) and Wales PR14 Forum that their proposals are built around credible customer evidence. • Ofwat's technical assumptions take into account independently sourced evidence of efficiency, cost of capital and other significant cost drivers, taking into account the impact these assumptions have on customers' bills. • The UK and Welsh Government requirements for PR14 and the statutory drinking water quality and environmental programmes take into account customers' willingness to pay.
Customers inform and find acceptable the 25-year strategic plans for local water and sewerage schemes.	Companies have engaged consumers effectively and their long term strategies reflect consumers' priorities, required outcomes and willingness to pay.
Customers' bills will reflect their priorities and willingness to pay, and bills will be increasingly acceptable to customers.	Ofwat's methodology for the 2014 Price Review states that customers will be engaged with the decisions that affect their water and sewerage bills at the next price review.
Customers' views inform the development of the five-year business plan.	Local water companies have used customers' priorities and views to develop their five-year business plans.
Cost-effective and sustainable solutions to water and sewerage issues.	Evidence from CCGs will show the companies have been challenged on presenting a range of options to particular schemes to prove they have chosen the most cost-effective and sustainable solution.
Market Reform	
Increased choice and benefits for business customers without detriment to those that cannot switch, or choose not to switch, water and sewerage provider.	Through the proposed market reform measures in England (from the UK Government), business customers report satisfaction in terms of lower prices, better services from water companies and a real choice of supplier.

Consumers' interests are central to the proposals around water resources management and the proposed extension of market reform in England to resources, treatment and distribution of water and the treatment of sewage.	Proposals for legislation on water resources management and market reform protect consumers and clearly demonstrates the benefits for and impacts on them.
Abstraction Reform	
Involvement of water customers on the process leading to abstraction reform.	Abstraction reforms are not detrimental to water customers by leading to large bill increases.
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.

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 CCWater 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.
- We will consider with Ofwat how best to handle some complaints currently dealt with by Ofwat. The Gray Review wanted the "route for complaint" to be clear, and all customer complaints to be handled by "an appropriate body".

Benchmarking

- Identify water company best practice, highlight and praise the better performing water companies and press any underperforming companies to improve;
- Benchmark 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 individual water companies where they need to make improvements;
- Use real customer case studies to demonstrate examples of poor company service and help water companies to fix any shortcomings and avoid repetition;
- Build on relationships 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 water and sewerage service that satisfies water consumers with water companies responding to domestic and business customers' needs and concerns.	<p>Industry - Consumer satisfaction with basic delivery of the water and sewerage service improves above the current level 90%.</p> <p>CCWater - Consumer satisfaction with the quality of CCWater's complaint handling service is at least 73%, which allows us to move towards the 80% mark which will put CCWater up with the best comparator organisations.</p>
Provide a fair, effective and consistent complaint handling service across our local and Welsh offices.	<p>CCWater's performance targets for complaint response and resolution remains high. 99.5% of complaints get a response within 5 days 79% 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 of response 79% Outcome of complaint for customer 61% Courtesy of staff 92%</p> <p>CCWater compares well in the 2012 benchmark report to other similar organisations.</p>
Responsive water companies who work to sort complaints out first time.	Annual complaints to water companies will reduce to below the 2010-11 level of 185,000.
Empowered domestic and business 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.	Improve our consumer support website by keeping content up to date and relevant. We will maintain or increase the number of consumers who visit the consumer support website (2010-11 visits: 44,000).
Consumers and customers served by currently poor performing water companies will see improved service based on the issues that matter to them.	Through the pressure created by our work, poor performing water companies will improve and move closer to the industry average of 64 written complaints to the companies per 10,000 connections in 2011-12.
More consumers receive improved service as we monitor Ofwat's Service Incentive	The qualitative survey within the SIM shows water companies compare well to other utilities / services

<p>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>and improve on the previous year's scores.</p> <p>Quantitative elements of the SIM improve on the previous year for the industry: Complaints will reduce below 185,000 Repeat complaints about the same issue will fall below the 2010-11 level of 21,000. CCWater Investigations will reduce below the current level of 122.</p>
<p>Our risk-based consumer service assessments deliver improved service for customers, focusing our resources where most effective and on companies where we have concerns.</p>	<p>Water companies with problem areas take action to improve their customer service. Water companies adopt the recommendations made from assessment panel visits.</p>
<p>Consumers have a clear understanding of the services they should expect from their company.</p>	<p>Work with Ofwat and companies to ensure company codes of practice offer high levels of customer service that are reflected by company complaints decreasing from 185,000 and repeat complaints about the same issue decreasing from 21,000.</p>
<p>Vulnerable water consumers are represented and protected from poor company service.</p>	<p>Records on the number of complaints from vulnerable consumers to CCWater will allow us to press companies to improve their service to vulnerable consumers if it falls short of the industry average.</p>

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

What we will do:

Water Resources and Drought

- Ensure that water companies' drought communications plans provide appropriate, clear and timely advice and information to customers by working closely with the companies' and environment agency and other parties;
- Ensure that information about water efficiency is easy to access, and that it is in a clear and helpful form to allow consumers to make informed choices about their water use. We will do this by continuing to work with water companies, regulators and other parties;
- Raise consumers' awareness of water resources issues and the impact that our water use has on the environment and on energy use (domestic and by water companies). We will do this through the media, our website and through partnerships with water companies and key interested parties such as the Energy Savings Trust;
- Support water companies' efforts to reduce the carbon footprint of their water supply operations through work on resource plans and strategic direction statements.

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.

Consumer Empowerment

- Promote consumers' rights and responsibilities in using water wisely around their homes and businesses through our consumer relations activities, press releases, our website and by working with other interested partners.

Natural Hazards, including flooding and the impact on Water Supply

- Reflect consumers' views of how a water company and other organisations should cooperate and respond to mitigate and prevent the risks and impacts of flooding.

What our work will seek to deliver	How our success will be measured
Water Resources	
Consumers are satisfied with the reliability of their water supply.	Consumers remain satisfied they have a reliable water supply. 96% of consumers agreed they have a reliable supply in 2011-12.
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 (67% in 2011-12).
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 and willingness to pay influencing their plans.

<p>The water supply of future generations of water consumers is considered by water companies as they adopt sustainable long term water resources strategies that will address the likely impacts of climate change and population growth.</p>	<p>In reviewing their water resource management plans, companies will demonstrate they have taken account of the best available information and sought the most sustainable means of balancing supply and demand.</p>
<p>Water Quality</p>	
<p>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.</p>	<p>At least as many consumers as now (92%) are satisfied their tap water is safe.</p>
<p>Appropriate support and information for water consumers on water supply issues and during a poor water quality or major interruption/event.</p>	<p>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.</p>
<p>Natural Hazards, incl. flooding, and water infrastructure resilience</p>	
<p>Water infrastructure is resilient and water supply is reliable, as much as is possible, during and after natural hazard and flooding events, with the minimal additional financial impact on water bills or as indicated by water customers.</p>	<p>Customers' views will inform discussions and plans that deliver water infrastructure resilience for continuity of service during and after natural hazard and flooding events.</p> <p>Evidence of good company operational performance that can help reduce supply interruptions and costs, from Ofwat and companies.</p>
<p>Safe water supply is restored swiftly during or after natural hazards and flooding emergencies.</p>	<p>Customers' views will inform discussions and plans that deliver water infrastructure resilience for continuity of service during and after natural hazard and flooding events.</p> <p>Consumers do not complain about lengthy interruptions or interruptions that could have been easily avoided.</p>
<p>Consumers are well informed and regularly updated during a natural hazard or flooding event that impacts on their services.</p>	<p>Consumers and CCWater (particularly local offices) receive accurate information and regular updates on service interruption and restoration.</p> <p>Consumers do not complain about lack of information and communications from water company during events.</p>

A Sewerage System that Works - 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 2012-13 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 methodology for measuring and monitoring the risk of sewer flooding in England and Wales;
- 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

- Make certain that sewerage companies have robust plans in place to handle queries and complaints about their programme of repairing and upgrading former private drains and sewers, and challenge sewerage companies where there are problems in resolving customers' queries and complaints.
- Represent consumers during the period to 2015 by working with Governments to aid the effective communication of the significant changes to drainage legislation for example, Mandatory Build Standards and adoption arrangements for new build gravity foul sewers and sustainable drainage systems (SUDS).

Sustainable Solutions to Wastewater Problems

- Encourage companies to use low-carbon solutions to sewerage problems by working locally with sewerage companies and Ofwat and the Environment Agency.
- Encourage and support sewerage companies' generation of energy as a result of sewerage 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 2010-11 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.

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

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, building on 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.
- Help consumers and special interest groups know about the price review and help them get involved in the process where they want to.
- Ensure that there is effective representation of consumers' interest during the price review process via the local Customer Challenge Groups and the Wales PR14 Forum.
- 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
Consumers' views on key topics are properly presented through the forthcoming Water Bill's legislative process.	Ensuring that, at each appropriate stage of the passage of the Water Bill, CCWater fully represents and presents consumers' views (based on research and empirical material) so that the key interested parties are made aware of areas of consumer concern.
Consumers' views on key topics are properly presented to the Welsh Government as they create and consider views on their Water Strategy for Wales.	Ensure that CCWater fully represents and presents water consumers' views, so key interested parties are made aware of areas of consumer concern.
Media - Gain media coverage for each of the main CCWater priority areas in the Forward Work Programme, measured through	Achieve at least 50million Opportunities to See, an increase of just over 11% year on year. ⁷ Achieve positive placement of our key messages in all

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

Opportunities to See (OTS) and through monitoring positive messages published in key media targets.	target media as identified in PR plan.
Web site and social media - Ensuring content is firmly linked to water consumers and the activity undertaken by CCWater and is regularly updated and tailored. Measured through monthly Google analysis reports and web survey. Regular updates on social media to improve our online communication with customers. Measured through number of followers and interactions with customers.	<p>Increase the number of people visiting the website by 27% from 2011/12 target of 146,000 to 185,000.</p> <p>Improvement in time spent by us on our website, updates and interaction with consumers.</p> <p>Increase in Twitter followers and interaction with followers from current levels measuring links clicked, 'retweets' and responses to direct questions.</p>
Empowered water consumers who are aware of their rights and responsibilities.	An increase from the current 57% ⁸ of water consumers who are aware they can have a meter fitted free of charge. An increase from the 35% 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 158,000 currently.
Water consumer involvement on key European water policy decisions.	Consumers' views are used to inform the European Commission's review of water policies and Directives, also known as the ' <i>Blueprint to Safeguard European Waters</i> '.

⁸ CCWater Tracking Research 2011 Link [here](#)

Making sure our own support services are effective and value for money

CCWater reduced its costs to water customers by 10% in 2009/10 and a further 10% in 2010/11. In addition we have absorbed inflationary costs for 2012-13. We have fully observed the Government's Eleven Spending Controls. We have co-located two of our offices with other Government organisations we will continue to look for further opportunities when other office leases end so we can further reduce our office costs. We will meet additional resource needs for the Price Review over the next three years from accumulated cost savings brought about by careful management. We will change our approach by taking a risk-based viewpoint and responding proportionately, focusing on issues that bring most benefit to customers. We will only challenge where we have concerns on behalf of customers at no extra cost to them.

We remain mindful of the need to deliver value for money and that our support services are in line with similar organisations and will during the year look again at whether it is cost effective to share any of our back office services. With the impending changes to Consumer Focus they no longer require our help with procurement. CCWater has access to both internal and external advice on any legal issues.

What our support work will seek to deliver	How we will measure our success
Reliable and secure IT systems that support CCWater's staff.	Network available 99% of the time.
	Website and intranet available 99% of the time.
	There are no data security breaches.
Safe and Secure environment for CCWater staff to work in.	There are no occurrences of avoidable reportable workplace incidents as per the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
	95% of staff receive updates on Health & Safety and Security issues.
Efficient Human Resources Support	There are prompt offers of employment letters following final interview - 99% within 5 working days.
	Short and long term sickness levels are managed below those of the public sector (9.6 days).
	Turn over rate will be managed below public sector levels (8.6%).
Efficient systems that support CCWater, which is shown through good governance, internal and external auditing.	Internal auditors confirm that effective systems are in place. External Audit identifies no areas of concern which would result in the accounts being 'qualified'.
	All internal Audit accepted recommendations implemented within six months.
Efficient Finance and Budget Management to ensure there is accountability for how water customers' money is spent.	Annual spend to remain within allocated budget.
	All payments will be paid promptly - 80% of undisputed payments within five working days.

Good Internal Communications that make sure staff are well-informed.	Maintain or improve level of staff confidence in the internal communications channels from around 67% (2011), through measurement in the annual staff survey, on the basis of the "I feel I am kept informed" question.
Staff overall satisfaction with job (from our staff survey)	We will increase 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. Staff will receive annual training/ updates on their responsibilities relating to FOI & DPA.
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.
	All Board members expenses will be published within three months of quarter end.

Procurement Savings/ CCWater expenditure	Achieve procurement savings of £50k of annual non pay expenditure for CCWater.	CCWater is able to demonstrate value for money and is in compliance with Government spending guidelines.
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6. RESOURCES

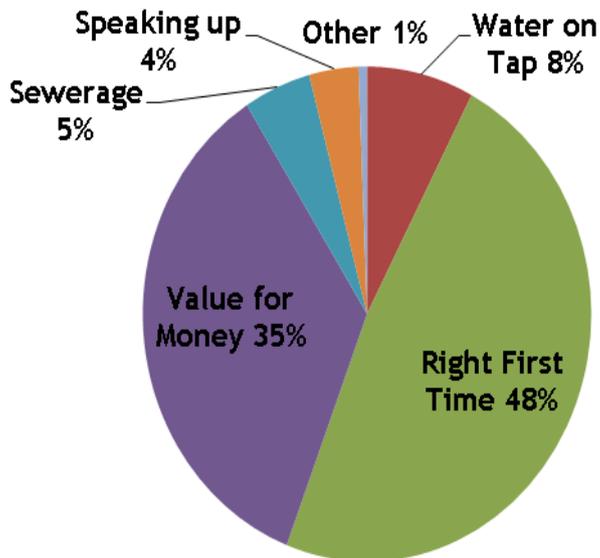
We will continue to monitor CCWater's performance ensuring that we deliver value for money and are well placed to deliver effective consumer representation.

For 2012-13 CCWater has a budget of £5.43m and staff of 67.6 (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 have a Board and 17 committee members - known as Local Consumer Advocates. Section 7 on Governance outlines this in more detail.

Our organisation structure is set out at **Appendix B**.

CCWater's resources and activities will be allocated as follows to our Forward Work Programme



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 members of these Committees are known as 'Local Consumer Advocates'.
- 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 2012

