



CONSUMER COUNCIL FOR WATER

Minutes of the Board Meeting

Held in Public Session

Tuesday, 6 March 2012

Room 21, Ty Hywel, National Assembly for Wales, Cardiff

Present	Chair	Dame Yve Buckland
	English Regional Committee Chairs	David Bland Andrea Cook Charles Howeson
	Wales Committee Chair	Diane McCrea
	Independent Members	Mike Barnes Timothy Hornsby Colette Isaaks Narendra Makanji
In attendance	Secretary to the Board	Mike Jackson
	Head of Corporate Services	Jane Morris
	Head of Consumer Relations	Carl Pegg
	PR 14 Manager	Steve Hobbs
	Policy Manager (Wales)	Lia Moutselou

CB327 Apologies and Declarations of Interest

327.1 Apologies were received from Tony Smith, Deryck Hall and Jenny Suggate. There were no specific declarations of interest other than those already entered in the Register of Interests.

CB328 Listening session

328.1 There were no members of the public in attendance.

CB329 Minutes of the Public Board Meeting held on 10 January 2012

329.1 The minutes of the Public Board Meeting held on 10 January were submitted for approval.

AGREED: That the minutes of the above meeting be confirmed as a correct record and signed.

CB330 Chief Executive's Report

330.1 In the Chief Executive's absence, Carl Pegg presented the report which included a Performance 'Scorecard' with information under headings relating to 'Benefits for Customers and Business Plan progress', 'Governance and Financial Performance', 'CCWater staff' and 'Reputation and External Activities'

330.2 Some of the key points in the report were as follows:

- CCWater supported the Government's proposals in relation to £50 per bill per annum contribution to South West customer bills because of legacy issues; increased competition for business and the introduction of compulsory metering on a customer sensitive, phased basis
- For the year to date, complaints had fallen by 2.4% from 8,118 at the end of December 2010 to 7,927 at the end of December 2011
- In quarter three 2011/12 CCWater achieved redress of £534,286 compared with £438,332 in the same quarter last year
- All performance targets had been exceeded on managing complaints

- CCWater had been successful in obtaining substantial redress for business and domestic customers
- CCWater had responded to both Defra's and the Welsh Government's consultations on social tariff guidance emphasising the need to obtain broad customer support
- A CCWater customer tracking survey had been carried out covering all water companies in England and Wales for the first time; results were being analysed and would be available end of March

330.3 The Chair referred to the recent water drought group that had been convened by Defra. CCWater would be invited to future meetings. Customer research on this issue required updating from last time.

330.4 It was reported that customers had made great use of the water metering calculator on the CCWater website.

AGREED: (1) That the report be noted; and

(2) That complaint handling staff be congratulated on their achievements.

Carl Pegg

CB331 Water White Paper

331.1 The report was presented by Steve Hobbs (Policy Manager) on behalf of Deryck Hall (Head of Policy and Research).

331.2 The report set out CCWater's response to the Water White Paper, and the Welsh Government's Written Statement on Water Policy in Wales.

331.3 Members were concerned that increasing competition could have a negative effect on credit ratings and this could have an adverse effect on cost of capital. There could be increased costs with regard to the Thames Tideway Tunnel scheme if funded by private finance.

331.4 Colette Isaaks requested that members be updated in relation to conference speeches being made by CCWater representatives.

Kate Eccles

AGREED: (1) That the updated position statements relating to the South West and Sustainable Drainage, first issued at the January Board

Meeting, be noted; and

- (2) That the actions already taken to represent customers be noted, and the planned response to issues arising from the Water White Paper and the Welsh Government's Written Statement be approved.

CB332 Finance Report

- 332.1 A report was submitted showing an overall underspend of £14k and an increase in the contingency fund to £629k in total.
- 332.2 A year end under spend of £660k was projected.

AGREED: That the report be noted.

CB333 Budget approval for 2011/12

The Board was asked to formally approve the budget for 2012-13 of £5.43m as recommended by the Finance and Resources Committee. Included in the budget was a contingency of £487k. The Forward Work Programme could be delivered within the allocated budgets.

Use of any of the accumulated underspend of £1.3m would require Defra and the Welsh Government's agreement.

The report set out the overall budget in main cost areas and the split to cost centres within the main budget areas.

Formal budget approval for the proposed budget had been received from Defra and the Welsh Government.

AGREED: That the Board formally agree CCWater's budget of £5.43m for 2012/13 and the Finance and Resources Committee's recommendations for allocating the budget.

Jane Morris

CB334 Final Forward Work Programme 2012/13 to 2014/5 and the Operational Business Plan (OBP) for 2012-13

- 334.1 The Head of Corporate Services presented the above covering report and submitted the final Forward Work Programme 2012/13 to 2014/5 for approval. The Operational Business Plan (OBP) for 2012-13 was also tabled.

334.2 The proposed final Forward Work Programme took into account the recommendations from the Defra and Welsh Government Review into consumer representation in the water sector - "the Gray Review" and 'Water for Life' - the Water White Paper and the Welsh Government's Written Statement on Water Policy. It also set out changes in how consumers' views would be heard during the next price review through Customer Challenge Groups and the Wales PR14 Forum.

334.3 A member commented that the Forward Work Programme needed to be amended for Wales to reflect that at present there was no competition for water in Wales.

AGREED: (1) That the Forward Work programme for 2012/3 to 2014/5 be approved;

Jennie Suggate

(2) That delegated powers be given to the Chair and Chief Executive to make any final changes and to approve the Forward Work programme for 2012/3 to 2014/5 for Wales; and

(3) That the Operational Business Plan be approved, subject to any comments being made by Board members to the Head of Corporate Services within the next few days.

Jane Morris

CB335 Research Programme for 2012/13

335.1 Members considered the report on the proposed Research Programme for 2012/13 in detail in view of its importance.

335.2 It was suggested that research on the public attitude to water efficiency and drought should be brought forward.

335.3 Further information was requested as to content, priorities and timings. The questions being asked in the research needed to be identified.

335.4 Members asked for a breakdown of costs on a scheme by scheme basis.

AGREED: That the report be noted and a further report be submitted to Board members as soon as possible setting out the relevant information requested by members.

Deryck Hall/Diana Horth

CB336 Charging approval process

336.1 The PR14 Manager, Steve Hobbs, presented a report updating the Board on the developments in Ofwat's charging approval process and setting out the activity CCWater intended to undertake in this area in the coming year.

336.2 Companies were required to confirm to Ofwat in a letter of assurance, that they had consulted with CCWater "in a timely and effective manner" on any changes.

336.3 In response to a member question, Steve Hobbs indicated that a table of good practice was continuously updated and he agreed to check on its circulation, which should include Regional Chairs.

AGREED: (1) That the developments in the charging approval process be noted; and

(2) That the Board agree the further work to be carried out by CCWater as indicated in the report.

Deryck Hall

CB337 Membership of Board Committees

Under Annexes D, E and F of the Code of Governance the membership of the three standing committees was to be 'reviewed and confirmed by the Council annually at the end of each financial year'.

The present membership was as follows:

Members of the Audit and Risk Management Committee:

Mike Barnes, David Bland, Narendra Makanji and Diane McCrea

Members of the Finance and Resources Committee:

Timothy Hornsby, Charles Howeson, Colette Isaaks and Diane McCrea

Members of the Remuneration Committee:

Narendra Makanji, Andrea Cook, Charles Howeson and Colette Isaaks

AGREED: That the membership of the Committees as set out above be confirmed for 2012/13.

CB338 Holding of Board Meeting in Private

Subject to confirmation

Confidential

AGREED: That the Board confirm the decision to hold the first part of the meeting in private session on grounds of confidentiality (Public Bodies (Admission to Meetings) Act 1960).

CB339 Any other business

AGREED: That the Chief Executive review the management arrangements in relation to the parliamentary interface and stakeholder engagement.

Tony Smith

End of meeting