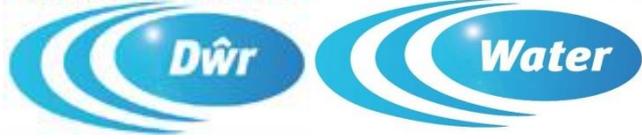


CYNGOR DEFNYDDWYR CONSUMER COUNCIL FOR



# The Consumer Council for Water's Operational Business Plan 2018-19

Securing the best outcomes for all water consumers -  
present and future

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## 1. Introduction

The Consumer Council for Water (CCWater) is the independent and statutory organisation representing household, business and other non-household water and sewerage consumers across England and Wales. We are referred to as the ‘Water Watchdog’. We have offices in both countries and representatives (called Local Consumer Advocates) in Wales and across our regions<sup>1</sup> in England.

### What CCWater does

We provide a strong voice for consumers by keeping in close contact with local water companies, local companies’ Customer Challenge Groups, developers, retailers and consumers themselves. Our research and company and consumer complaint data informs our work. We make sure that the collective voice of consumers is heard in water debates in England and Wales, and that the best outcomes are secured for consumers both now and in the future. We provide advice and information to consumers on water matters, which may inform them of their rights or influence behaviour change, such as on reducing water use. We take up consumers’ complaints if they have tried and failed to resolve issues with their water companies or retailers.

### Advocacy and Partnership

We conduct research, create partnerships with the industry and beyond, and advocate for water and sewerage consumers. In addition to helping with complaints, also core to our work is making the water consumers’ case to governments, the industry regulator Ofwat, local water companies, non-household retailers and our other stakeholders. Where our interests appear to overlap with those of Ofwat and the Drinking Water Inspectorate, we seek to have effective partnerships with those organisations.

### Our Values

Our Values define what we stand for as an organisation and guide us in our day-to-day work and decisions.

#### **Knowledgeable**

Our work is based on evidence to help us achieve results

#### **Professional**

We consistently deliver our aims by being thorough and efficient

#### **Respectful**

We treat people fairly and with courtesy, taking account of their individual needs

#### **Open**

We are transparent and honest in our dealings with all people

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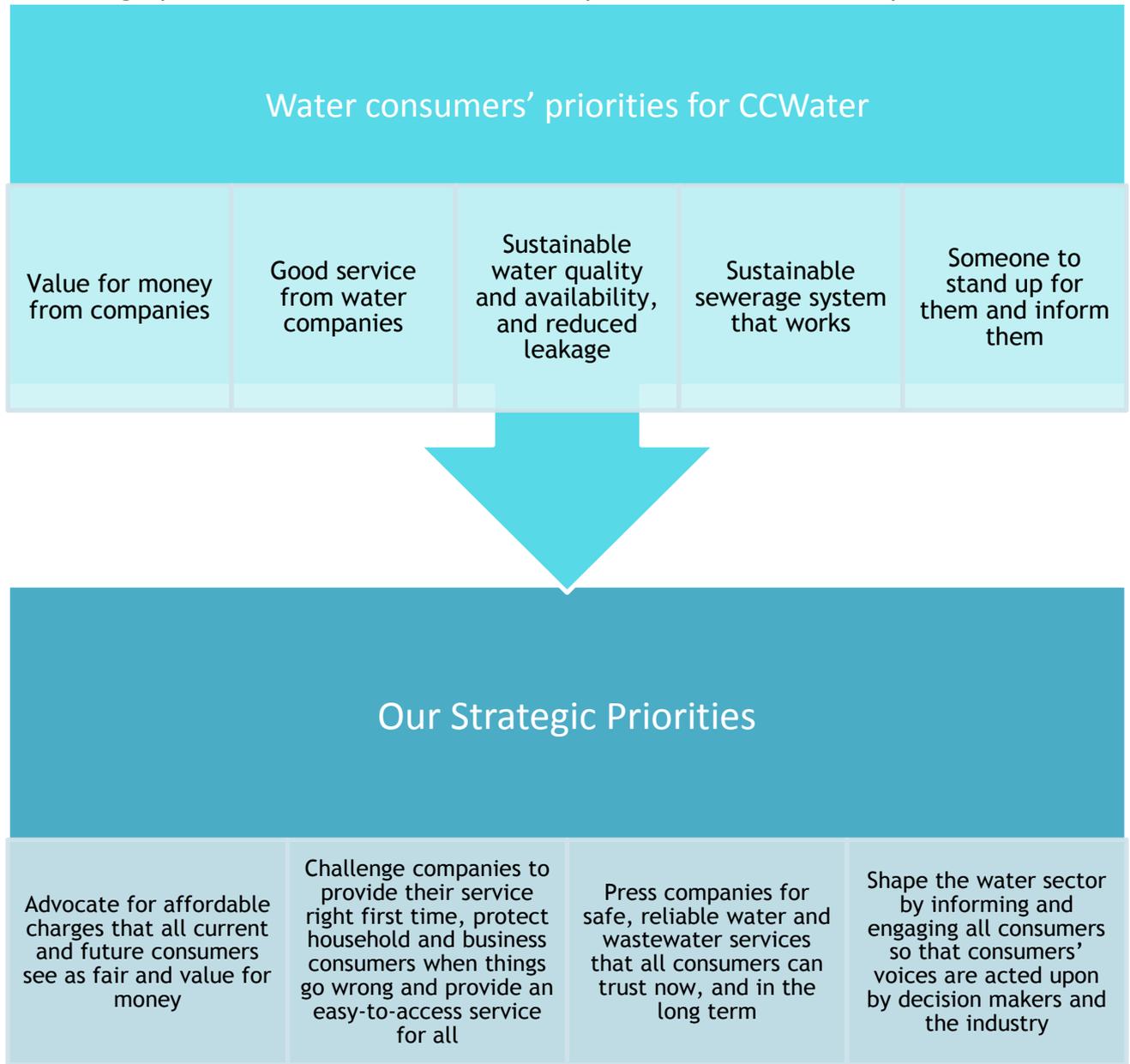
<sup>1</sup> Information on our regions can be found [here](#)

## The Operational Business Plan

Our Operational Business Plan for 2018-19 has been structured to show how we will deliver the first year of our Forward Work Programme's<sup>2</sup> commitments to benefit water consumers and achieve our organisational Aim of:

### Securing the best outcomes for all water consumers - present and future

Our strategic priorities are based on consumers' expectations<sup>3</sup> of us and their priorities.



Where we refer to 'all consumers' we mean household, business and other non-household consumers.

<sup>2</sup> CCWater Forward Work Programme 2018-21. Link [here](#).

<sup>3</sup> Expectations of The Consumer Council for Water. 1.3.2 - Link [here](#).

## Our focus in 2018-19

In 2018-19 we will concentrate our resources on our four Strategic Priorities outlined above, with a particular focus on the following ‘key 2018-19 issues’ as indicated within this plan:

- **The 2019 Price Review** - We will:
  - press water companies and the regulator Ofwat to set acceptable outcomes that reflect what current and future consumers would value and ensure companies challenge themselves to match the best in the industry
  - champion consumer participation so consumers’ views are taken into account
  - press for affordable, safe, resilient water supplies and wastewater services that deliver the best value for money now and in the long term
- **Consumer protection** - We will:
  - press companies to do more to help those struggling to pay and in vulnerable circumstances; and help them achieve this by sharing good practice and approaches that help consumers
  - help the sector take advantage of any opportunities delivered by the Digital Economy Act’s data sharing provisions to support financially vulnerable customers
  - help household and business customers when things go wrong
  - target companies when their performance is poor on complaints, service, leakage or sewer flooding
- **Non-household retail market in England** - We will:
  - help make the market work by highlighting where it is succeeding and where it is failing business customers, and produce information on retailer performance
  - help micro, small and medium-sized businesses access the market
  - use the experience of those smaller businesses to help inform the UK Government’s decision over extending competition to households in England
- **Non-household customers in Wales** - We will:
  - help Welsh Government inform affected customers of their rights around competition. And focus on water company service standards, so business customers in Wales benefit from excellent customer services

We will work in partnership with the UK and Welsh Governments, regulators, the market operator (MOSL), water companies, retailers, other consumer bodies and business groups such as Citizens Advice/Citizens Advice Cymru and the Consumer Futures Unit within Citizens Advice Scotland, Age UK/Cymru, Energy Savings Trust, developers, Waterwise, Resource Efficient Wales, Money Advice Service, Essential Service Access Network, the Federation of Small Businesses, Consumer Council for Northern Ireland and the Major Energy Users Council, to deliver on behalf of water consumers.

To understand what is important to consumers, we will continue to base our work on consumer evidence by:

- carrying out research with water consumers
- using evidence from customers’ complaints against water companies and retailers
- using evidence from engagement with consumers, including through social media

This ensures the advice we give to Governments, regulators, water companies, retailers and others reflects consumers’ views. We also use data and information from within the water industry and from other sectors, where appropriate, to promote and protect consumers’ interests.

## 2. Delivery and management of the plan

In delivering our Operational Business Plan, we will:

- Fulfil our legal duties set out in **Appendix A**
- Maintain a strong focus on consumer advocacy
- Continue to consider sustainable development by showing how we balance the economic, environmental and social aspects in all that we do
- Continue to consider and deliver our obligations under our Welsh Language Scheme
- Continue to develop CCWater's approach to supporting consumers who are experiencing vulnerable circumstances and apply it to all projects we undertake, including helping consumers in need of extra assistance such as large print, Braille, and other translation services to access our services

For each of our priority areas of work we have identified our strategic priority and targets to measure how our work adds value for consumers.

The Operational Business Plan forms part of our monitoring and measurement framework aligned to our Forward Work Programme.

To help us to measure our performance we:

- Carry out annual tracking research to assess the effects of our work and to monitor consumers' views about water and sewerage services.
- Assess consumers' experience of using our service.
- Have a series of performance measures and milestones to track the progress in delivering the plan. This report is regularly reviewed by the Executive Team to ensure that we are delivering our commitments. Remedial action is taken where there is a delay in delivery due to internal reasons.

We are focusing resources on those issues where we believe we can make a significant and positive contribution for water consumers. We will work towards delivery of other projects outlined in this plan, where resources allow, but we may need to defer some activity in the light of external influences such as changes in the direction and scope of either the UK Government's or Welsh Government's water-related policies. As ever, we will remain flexible, anticipating or responding to changing circumstances, which could include responding to a Tailored Review. If a Review is announced, we anticipate there will be work required to inform the Review Team of our governance procedures; operational processes; financial commitments and value delivered for consumers, as well as reporting on our successes on behalf of consumers; and our plans for the future.

### 3. Strategic Priority 1 - Advocate for affordable charges that all current and future consumers see as fair and value for money

#### Headline deliverables from our three-year Forward Work Programme:

- More consumers rate their water and sewerage bill as value for money and satisfaction increases in our Water Matters survey.
- The number of consumers who find their bill affordable increases in our 2018 Water Matters survey.
- In our 2018 Stakeholder Survey, stakeholders state they value our contribution to the 2019 Price Review.

**The 2019 Price Review** - We will be pressing to see acceptable business plans that reflect what current and future consumers would value and companies that challenge themselves to match the best in the industry

<b>Pressing for acceptable and affordable bills with effective support for vulnerable consumers</b>	
<b>WHAT WE WILL DO</b>	<b>HOW WE WILL MEASURE OUR SUCCESS</b>
Press companies to test the acceptability of business plan proposals with consumers. Companies are challenged to achieve over 80% acceptability, with the company also addressing the concerns of the customers who find the plan unacceptable.	The acceptability of business plan proposals is tested with consumers. Companies respond to the challenge to achieve 80%+ acceptability.
Business plans reflect our priorities, including a doubling of the help available for those who struggle with affordability.	Overall the industry will be providing meaningful help to twice as many financially vulnerable customers by 2025.
Discuss with relevant companies how they are reflecting the England and Wales proposed boundary changes <sup>4</sup> in their business plans, and engage with affected consumers.	There is evidence in business plans of Severn Trent and Dŵr Cymru Welsh Water of actions that are specific to the proposed boundary change, which reflects evidence of their customers' views.

<sup>4</sup> Water companies operating wholly or mainly in Wales or England will work under Welsh law when operating in Wales and companies operating in England will do so under UK law during 2018-19.

**Challenging on behalf of future consumers so needs are met in an efficient way and bills are stable**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Challenge companies to show how they have balanced the needs of current and future bill payers in both the outcome they aim to achieve in the short and long term, and the balance of costs and bill impacts.

Evidence shows that the companies' business plans address the needs of current & future bill payers, based on customers' views of the right balance of investment.

**Pressing for consumers' views to shape decisions**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Challenge companies to use a wide range of evidence to establish consumers' priorities and 'willingness to pay', understanding the possibly varied preferences and expectations of different consumer groups. We will encourage companies to triangulate those sources of evidence.

Business plans propose outcomes, performance commitments and the delivery of service improvements that clearly reflect credible evidence of consumers' preferences and expectations.

Press companies to research and test their Outcome Delivery Incentive (ODI) proposals with consumers- including the principle of using ODIs, the Performance Commitments they are applied to, and their financial value.

Companies only propose incentives that customers support; both in terms of where incentives are applied and their potential bill impact.

**Pressing for business plans that deliver increase customer satisfaction.**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Press for strong performance measures and incentives to:

- (a) drive an increase in the level of customer satisfaction when customers have reason to contact their company
- (b) drive an increase in satisfaction with value for money and service received for customers who have not had a reason to contact their company; and
- (c) drive an increase in the number of customers aware that assistance is available for customers in vulnerable circumstances and customer satisfaction that services are easy to access.

There is evidence in companies business plans that:

- They have get targets to significantly improve customer satisfaction in their C-MeX (Customer Experience) measures.
- They have included measures to track customer awareness of available assistance and satisfaction with accessibility of services as part of their Performance Commitments to address vulnerability and affordability.

## Consumer protection – We will press for help for those struggling to pay

Sharing good practice and helping consumers struggling to pay	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Monitor the effectiveness of social tariffs in England and Wales and identify improvements to maximise assistance to those in need.	<p>The number of consumers accessing water company tariff schemes, such as WaterSure and social tariffs, increases by 10 percentage points by March 2019.</p> <p>There is an increase in the numbers of consumers who find their bill affordable from 74% (recorded in our 2019 Water Matters survey).</p>
Help further enhance awareness and access to assistance schemes for consumers who are experiencing affordability issues.	
Help secure the effective implementation and use of data sharing (Digital Economy Act), including Wales.	
Share innovative approaches and good practice, including from other sectors, in supporting customers. Continue to advocate the use of techniques such as ‘moments of change’ and ‘make every contact count’.	
<b><i>In Wales</i></b>	
Work with Welsh Government, Ofwat, water companies in Wales and consumer organisations on delivering principal actions from the Water Strategy for Wales to address the key issues regarding access to affordable water and sewerage services, tackling debt, ensuring a strong consumer focus and promoting the efficient use of water.	There is an increase in the numbers of consumers who find their bill affordable in Wales from 78%.
<p>Press for the continuation of the requirement for English-based landlords of Dŵr Cymru Welsh Water and Dee Valley water to register their tenants who are liable for the water and sewerage bills to remain after the legislative water boundary has moved in line with the England/Wales border.</p> <p>Challenge the company to implement the requirements for landlords serviced by Severn Trent (or a new company under a varied licence) in mid Wales to start registering their tenants who are liable for the water and sewerage bills.</p>	<p>England based landlords of Dŵr Cymru Welsh Water continue to be required to register their tenants who are liable for the water bill.</p> <p>England based landlords of Dee Valley continue to be required to register their tenants who are liable for the water bill.</p> <p>Wales based landlords of Severn Trent begin to register their tenants who are liable for the water bill.</p>

<b>Reviewing existing and proposed charging policies to ensure customers are protected</b>	
<b>WHAT WE WILL DO</b>	<b>HOW WE WILL MEASURE OUR SUCCESS</b>
Represent water consumers' and developers' interests in charging matters to water companies, regulators and Governments, and share good practice.	Our research will show a rising trend in consumers who think their water bill is fair (recorded in our 2019 Water Matters survey).
Ensure customers are aware of options to cut bills, including through metering, surface water drainage rebates and affordability assistance.	An increase in consumers aware of the option to meter and affordability assistance as measured in our Water Matter 2019 survey.
<i>In Wales</i>	
Ensure adverse impacts (including bill shocks) are avoided/mitigated, including for customers in Wales following the acquisition of Severn Trent of Dee Valley and any proposed license variation changes in the future.	The future bill profile for customers in Wales of Severn Trent or Dee Valley does not show sudden increases in their bills. Or where increases are necessary, the rise is mitigated.  No changes in customer policies and service which would disadvantage customers in Wales of Severn Trent or Dee Valley.
Work with the water companies so the implementation of the Fire Sprinkler regulations do not result increased charges for water customers in Wales.	The implementation of the Fire Sprinkler regulations has not resulted in charges increase and disruption of service for customer in Wales.

<b>Value for Money - a service that customers think is worth the price</b>	
<b>WHAT WE WILL DO</b>	<b>HOW WE WILL MEASURE OUR SUCCESS</b>
Raise the industry's aspirations on the value they deliver to consumers, both when companies compare each other and other industries.	We have raised value for money aspirations at conferences, in reports and press notices. Customer satisfaction with value for money in the 2019 Water Matters survey increases.

## The local perspective

Challenging companies face-to-face	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>We will meet water companies and retailers regularly to challenge them on the issues that evidence shows needs improving. We will do this face to face at private meetings, but also in public - both at Board and Committee level.</p>	<p>Our website shows that we have questioned water companies in public, both at <a href="#">Board meetings</a> (five times), in Wales and across the regions in England (at least five times) during 2018-19.</p> <p>Evidence that company performance or policy has improved as a result of this pressure.</p>

Providing comparative company data to enhance the CCG's ability to compare performance	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Using our comparative analysis, we will challenge companies (directly and through CCGs) to deliver Performance Commitment targets that compares well to their peer group and other sectors.</p>	<p>We use comparative information and guidance to scrutinise and challenge Performance Commitment targets in companies' plans to ensure companies are striving to improve performance over the 2020-25 period in areas of the service that are customer priorities.</p>

#### 4. Strategic Priority 2 - Challenge companies to provide their service right first time, protect household and business consumers when things go wrong and provide an easy-to-access service for all

##### Headline deliverables:

- Poorer performing companies get it right first time and receive significantly fewer complaints and contacts, as shown in our 2018-19 Complaints Report.
- More consumers become aware of the additional help available (priority services) from companies as reported in our 2018 Water Matters survey.
- Consumers will get a satisfactory and prompt response from us when complaining about their water company and we will meet or exceed our performance standards when we handled a consumers' complaint about their water or sewerage company.

Pressing companies to avoid problems that affect consumers from occurring	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Work with Ofwat and companies to ensure the future C-MeX (customer measure of experience) is effective in improving customer service, increasing customer satisfaction, reducing complaints and delivering benefits for consumers.	Over time the C-Mex scores improve and the industry compares well to other sectors.
Conduct assessments of companies' complaint and debt practices.	A reduction in number of complaints we receive about company debt management.
Highlight and share good practice and innovations in the spirit of continuous improvement.	Water companies and retailers adopt our good practice recommendations and improve complaint and debt management.
Understand household customer views and levels of satisfaction with their water and sewerage service.	Water Matters research is delivered and any significant areas of detriment are highlighted and acted upon.
<b>In Wales</b>	
Work with Ofwat and companies to ensure companies operating wholly or mainly in Wales have a performance measure in place to track and drive a targeted improvement in improving non-household customer satisfaction and reducing complaints from non-household customers.	Non-household customer satisfaction with water is stable or improves in our NHH <a href="#">Testing the Waters</a> research [95% overall satisfaction in Wales in 2016]; it improves for sewerage service [71% in Wales in 2016] and complaints from NHH in Wales reduce from their 2017-18 level.

**Demanding complaints numbers are reduced by pressuring poor performers**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Publish an annual Complaints and Unwanted Contacts Report highlighting poor performers, and press for improvements.	The 2018-19 report shows written complaints continue to reduce year on year below the 2016-17 figure of 95,000. Second stage written complaints reported by companies to reduce below 4,600. Unwanted contacts do not increase in 2018-19 from their 2016-17 level of 2.143 million.
Publish our data on complaints to us and press companies further to reduce escalation.	Complaints we receive reduced year-on-year.

**Publishing non-household retailers’ performance in England so business customers can compare providers**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Publish an annual Complaint Report on complaints to retailers by non-household customers.	Complaints about retailers fall from the first year of the retail market figure, reported in our 2018-19 retailer complaint report.
Publish quarterly monitoring information on complaints to CCWater about the non-household water market	Complaints from non-household customers show a reducing trend due to pressure from our data publishing schedule of market information.

**Championing inclusive design and delivery of services for all consumers but particularly those facing vulnerable circumstances.**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Share good practice and innovations on reaching and assisting consumers in vulnerable circumstances.	Companies serving household consumers adopt our good practice recommendations as part of our collaborative work with them.
Encourage companies to raise awareness of assistance for consumers in vulnerable circumstances.	The percentage of consumers aware of priority services in our Water Matters research will increase from 44% (in 2017).

**Community vulnerability when things go wrong**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Investigate how comprehensive water companies' emergency plans are - these plans may be needed when communities are impacted by an incident affecting their water/sewerage services.

Companies have comprehensive emergency plans so that consumers receive information on what is happening, what they need to do, and have easy access to support at the right time.

**Business customers - helping business and other non-household customers receive a good service**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Ensure business and other non-household customers in England and Wales receive good or improved services from their retailers or wholesalers.

- Complaints from business customers fall during 2018-19.
- A monitoring framework identifying concerns and addressing needs of NHH customers in Wales is established.
- Concerns raised by NHH customers in Wales are identified and addressed proactively by their companies.

Hold frequent business customer forums and use the feedback to inform our work representing customers and pressing for retail competition to deliver the right outcomes for customers.

Positive feedback and on-going confirmation of importance and usefulness of meetings.

***In Wales***

Advise business customers operating in the Powys area, whose wholesale services are provided by Severn Trent, when they have questions about their ability to access the competitive retail market after the water boundaries change from 2020.

There is evidence we have contacted business customer representatives in the Powys area to ensure they are aware of their particular market circumstances. Our advice (as recorded on our complaints and advice system TAP) to Powys customers is accurate.

Providing good quality help and advice to household and business consumers when they have a complaint or query	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Provide good quality advice and help to household, business and self-serve water consumers, when they have an enquiry about their water service or a complaint against their company, be it wholesaler or retailer.	<p>Consumers get a satisfactory and prompt response from us when complaining about their water company or retailer, with 99.5% getting a response within 5 days, and 75% satisfied with our service during 2018-19.</p> <p>We meet our current performance targets for responding to consumers and complainants. Specifically:</p> <ul style="list-style-type: none"> <li>• 99.5% of complainants responded to within five days;</li> <li>• 80% of complaints resolved within 20 days; and</li> <li>• 91% of complaints resolved within 40 days.</li> </ul> <p>Consumer satisfaction with the quality of our complaint handling service will be 75%, and</p> <ul style="list-style-type: none"> <li>• 61% of consumers will be satisfied with their complaint outcome.</li> <li>• 80% of consumers will be satisfied with the speed of our service.</li> </ul> <p>These performance standards and consumer satisfaction targets compare favourably to other comparator organisations<sup>5</sup>.</p>
Work with the Water Redress Scheme (WATRS) to ensure good outcomes for consumers.	Eligible complaints are signposted to WATRS or a retailer's choice of ADR provider. There are no unnecessary delays for consumers in getting a timely case resolution, due to circumstances under our control.

<sup>5</sup> These are our business plan figures for 2018-19 which are reviewed annually.

## 5. Strategic Priority 3 - Press companies for safe, reliable water and wastewater services that all consumers can trust now and in the long term

### Headline deliverables:

- Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 550 or below by March 2019.
- Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 99 by March 2019.

### 2019 Price Review

Pressing for affordable, safe, resilient water supplies and innovative investment in sewerage systems that deliver the best value for money now and in the long-term	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Ensure that each company has conducted appropriate consumer engagement on its Water Resource Management Plan (WRMP) and Drought Plans, so proposals are supported by consumers.	There is evidence that companies have engaged with consumers on their drought plans and water resource management planning and their final plans reflect customers' priorities and expectations.
Challenge companies where their WRMP proposals are either unclear, do not reflect evidence of customers' views, or may not deliver a sustainable water service over the long-term.	Final water resource management plans show companies have responded to our challenges.

**Influencing and promoting activity to help consumers use water wisely**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Through active participation in the National Drought Group and sub-groups, represent water consumers' interests and influence the consumer facing activity related to prolonged dry weather/drought management and communications, and planning for the future.</p>	<p>Evidence of our challenge and influence at meetings and in the way the water sector works with consumers in the coming year.</p> <p>Contributing to the development of strategies for dealing with more extreme drought events.</p>
<p>Lead and encourage efforts to raise consumers' awareness of the challenges the sector faces; what is being done to address these challenges; and explain why it is important for everyone to use water wisely.</p> <p>Work with the Welsh Government and others on their plans to develop consistent messages that are part of the 'bigger picture' of why we need to use water responsibly, to encourage consumers now and in the future.</p>	<p>Through our active participation in social and wider media and public engagement activity, using the research we undertook on resilience last year to encourage others to help paint the big picture for consumers rather than simply providing water saving tips.</p>
<p>Help micro, small and medium-sized businesses think about water efficiency through our partnership links.</p>	<p>There is an increase from the 39% of businesses who took action to reduce water usage in our 2016 survey<sup>6</sup>, as shown in our 2020 survey.</p>

**Advising on compulsory water metering in England**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Advise companies on the consumer-facing aspects of compulsory metering programmes in England to ensure consumers are given the information and support they need to make the transition to metered charging and to help secure affordable water and sewerage bills.</p>	<ul style="list-style-type: none"> <li>• Continue to monitor the implementation of existing programmes, and advise on any proposed changes. In doing so we will be able to show evidence of our input and influence on proposals.</li> <li>• Ensuring companies are capturing all relevant information/data from the programmes and sharing experience and learning points more widely.</li> <li>• Contributing to policy debates on, and potentially influencing, any proposals to increase metering.</li> </ul>

<sup>6</sup> CCWater's Testing the Waters Survey 2016 [[here](#)]

**Encouraging leakage control and pressing companies when performance is poor**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>We will conduct an annual review of water company leakage performance and use this to challenge comparative poor performance. We will press companies to meet and, where possible, exceed their consumers' expectations for reducing leakage levels by meeting at least a 15% reduction by 2025 - by setting themselves challenging targets/performance commitments.</p>	<p>Each company's leakage levels (as proposed in their 2020-25 business plans) reduce year on year in line with their Performance Commitment, to achieve a minimum of at least 15% reduction by 2025.</p>

**Water Quality and Managing Incidents**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Monitor companies' consumer-facing activity and communications, where major supply, water quality or flooding incidents occur, providing support and feedback to the company as appropriate. We will also provide information and advice to affected consumers. We will use our knowledge of good practice in these areas to provide advice and encourage innovation.</p>	<p>Evidence that:                      Any concerns about a company's handling of the incident or customer communications will be immediately notified to them.                       Any insight or issues identified from customer contacts to CCWater will be acted on as a priority and taken up with the company and an appropriate resolution sought.</p>
<p><i>In Wales</i></p>	
<p>Use our joint research (with Welsh Government and the water companies operating in Wales) to understand consumer responses to potential scenarios for transferring responsibility for customer-owned water supply pipes to water companies.                      Continue to engage with Welsh Government as it develops its policy in this area to understand the cost and benefits of transferring ownership.</p>	<p>The Welsh Government is satisfied with our contribution to the development of their policies.</p>

## Wastewater

Making sure the sewers work for consumers	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
We will conduct an annual review of sewerage company sewer flooding performance and use this to challenge comparatively poor performance.	Internal and external sewer flooding complaints to us will reduce year on year from 550 sewer flooding incidents in 2016/17.
Challenge sewerage companies to resolve sewer flooding problems by delivering against the outcomes in their 2015-2020 final determination.	There is evidence that companies are meeting the targets set for the 2015-20 period.
Raise consumer awareness of the misuse of sewers, such as flushing wet wipes down the toilet, or putting oils and fats down the drain, and help them understand the impact of this behaviour.	We have created opportunities for consumers to see our messages through traditional and social media.

Supporting pragmatic, sometimes innovative solutions to water and waste water problems, such as catchment schemes	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Encourage innovation through working with partners on drainage issues.	In CCG challenge logs; directly at conferences; or through traditional or social media activity, there is evidence of us encouraging innovative ideas.
<b>In Wales</b>	
We will represent consumer interests in discussion on sewerage and drainage reform following the Welsh Government consultation on sustainable management of natural resources.	There is evidence that our suggestions influenced the final decisions.

## The local perspective

Championing consumer participation so consumers' views are accounted for	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
During the 2019 Price Review we will encourage local consumer participation in decisions around local water resources and wastewater solutions. We will challenge where the results of consumer engagement is not followed through into business plans.	Company business plans have a least 80% customer acceptability. There is evidence that where business plans do not fully reflect customer evidence, CCWater has challenged this - as shown in CCG reports and other records (e.g. CCG challenge logs).
<b>In Wales</b>	
We will assist the Welsh Government where required in consumer engagement around the issue of moving the responsibility for water to the national border rather than on company boundaries.	The Welsh Government is satisfied with our contribution to the consumer engagement around the issue of moving the responsibility for water to the national border rather than on company boundaries.

## 6. Strategic Priority 4 - Shape the water sector by informing and engaging all consumers so that consumers' voices are acted upon by decision makers and the industry

**Headline deliverables:** *Consumers are more informed about water issues, with 100m opportunities to see our messages in traditional media during 2018-19. We will also aim to increase our website and social media reach from 1.5m to 2m.*

Being an advocate for water consumers to get the consumers' voice heard	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Influence decision makers in Governments, regulators and the water industry to ensure that consumers' and developers' views are considered in the development of policy, proposals or initiatives that will affect them.	<p>Key policy changes have considered consumer evidence and CCWater work, for example proposals on affordability and meeting the needs of consumers in vulnerable circumstances.</p> <p>Water consumer-related discussions in relevant groups, such as the All Party Parliamentary Water Group, EFRA Select Committee meetings or the sessions of the relevant Assembly Committee, and Wales Water Forum meetings, are informed by consumer views from CCWater evidence and industry performance reports.</p> <p>Decisions on the implementation of the Wales Act will have considered implications for border consumers in England and Wales.</p>

2019 Price Review - Challenging companies and Ofwat with information on consumers' expectations, so the results are acceptable for consumers	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Influence 2020-25 business plans and performance commitments; ensure proposals consider future consumers and are acceptable to most consumers. For more detail please see pages 7-8.	There is evidence that company business plans propose outcomes and Performance Commitments taking into account the views of different customer groups, and address long term resilience of services.

**Championing fairness by challenging on behalf of water consumers**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Challenge water companies to share outperformance or windfalls (e.g. from higher inflation) during 2018-19 to ensure a fair balance between shareholders and customers.</p>	<p>Water companies will share outperformance and/or windfalls with consumers to ensure a fair balance.</p>
<p><b>In Wales</b></p>	
<p>For Dŵr Cymru Welsh Water, where rewards are retained by the company, encourage the involvement of consumers in considering how financial rewards should be used for the benefit of Dŵr Cymru Welsh Water consumers. Also encourage consumer participation in decisions on how any penalties should be reflected in customers' bills.</p>	<p>Dŵr Cymru Welsh Water use consumer research to find out the views of their consumers in how financial rewards are used, and how penalties should be paid for.</p> <p>Dŵr Cymru Welsh Water clearly communicates how consumer views have influenced their return of value decisions.</p>

**Helping make the non-household retail market in England work by highlighting where the market is succeeding and failing business customers**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Provide an impartial source of advice for micro, SMEs and other business customers and non-household customers across England and Wales, and handle complaints where companies and retailers have not got their service right first time.</p>	<p>Our quarterly non-household monitoring figures show how we are helping business customers across England and Wales with their enquiries and complaints.</p>
<p>Understand how the market is working for participants, including micro businesses and SMEs; sort problems out, and raise systemic problems with Ofwat and MOSL. Liaison with trade bodies is also used to add to our evidence of how the market is working.</p>	<p>Retailers quickly fix any problems with their service that we identify from monitoring. Market codes are amended where needed to resolve issues.</p>

**Helping micro, small and medium-sized businesses access the retail market**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p>Help to raise customer awareness of the water and sewerage retail market and what it offers, by working with business representative groups, particularly those linked to micros businesses and Small and Medium Enterprises (SMEs), and those in border areas.</p>	<p>The sector raises business customers' awareness of retail competition in England to 75% by March 2019.</p>

**Supporting business customers in Wales to benefit from excellent services**

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
<p><b>In Wales</b>, focus on ensuring business customers get excellent customer service, and advise the Welsh Government of emerging issues, especially on the border, and in relation to Severn Trent's change to its licence area in England and Wales.</p>	<p>A monitoring framework to monitor real-time concerns from non-household customer in Wales is reviewed and established.</p> <p>Companies respond to and address issues raised by non-household customers through their survey and monitoring.</p>
<p>In Wales, we will ensure service standards and performance for business customers are excellent and do not deteriorate through complacency of the service provider.</p>	<p>Business customers in Wales are satisfied with the service they are receiving measured by our 2019 Testing the Waters survey.</p>
<p>In Wales, work with Welsh Government on issues around messaging for Dŵr Cymru Welsh Water business customers who are based in England.</p>	<p>There is evidence that we have advised on the messaging for Dŵr Cymru Welsh Water business customers who are based in England.</p>
<p>Monitor the advantages and disadvantages of market reform in England to inform future policy in Wales.</p>	<p>The information we gather is used by Welsh Government as it considers its future policy on market reform in Wales.</p>

**Household Competition in England - helping the decisions reflect consumer expectations**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

We will gather evidence on household competition in England, building on consumers' views and the lessons learned from the NHH Retail Market in England, especially the experience of micros and SME business customers.

Our evidence is viewed as robust and credible. It is subsequently used to inform any future decision on household competition.

**Informing Consumers – giving consumers the information they need to judge value for money**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Publish information on company performance in areas that matter most to consumers (for example resilience, affordability and complaints) in order to raise the overall performance of the sector.

We have published reports on consumers' views, and company performance information.

Publish our supplementary insight reports gained from our understanding of research and company performance to further challenge the industry.

We have published insights and think pieces throughout the year.

Continue to share our comparative data with Discover Water.

**Raise consumer issues through media and social media**

**WHAT WE WILL DO**

**HOW WE WILL MEASURE OUR SUCCESS**

Proactively seek opportunities to raise consumer issues in broadcast, print and online media, nationally and locally, and in the water sector media. Engage consumers and stakeholders on key issues through existing and new social media channels.

Consumers are more informed about water issues, with 100m opportunities to see our messages in traditional media during 2018-19. We aim to increase our web and social media reach to 2m.

**In Wales**

Assist Welsh Government on messaging around the around moving the responsibility for water to the Wales/England border rather than on company boundaries.

The Welsh Government is satisfied with our contribution to the messaging around the issue.

Easy access to our services	
WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
To ensure everyone can access our services, we have access to language translation services and regularly translate information into Welsh in line with our commitments under our Welsh Language Obligations.	We deliver our Welsh Language Scheme obligations as set out in the principles of the Welsh Language Commissioner. Consumers who request Welsh communication receive this support.
We accept complaints by telephone, email, social media or letter to ensure all consumers have a chance to get help and advice from us. We also hold meetings in public across the English regions and in Wales which allow consumers opportunities to talk to us face to face.	Our <a href="#">complaint report</a> will show that we accept complaints by telephone, email, social media or letter. Our website shows that we have questioned water companies in public, both at <a href="#">Board meetings</a> (five times), in Wales and across the regions in England (at least five times) during 2018-19.

## 7. Our plans to deliver consumer insight through research during 2018-19

Our research tells us what is important to consumers. We gather information each year so we can constantly review what we need to do as a result of the consumer insight gained from our research. Where appropriate we will work with water companies on areas of joint interest or work in partnership with other organisations to promote good consumer engagement, while recognising that our independent voice is also valued by the industry.

Research that supports our delivery:	2018-19
<b>Tracking research</b>	
<a href="#">Water Matters</a> - our extensive yearly household consumer research, which provides a comprehensive view of consumers' position on water and sewerage issues, including on value for money and satisfaction with service.	✓
<b>Competition research</b>	
<a href="#">Business customer awareness</a> of the retail market - an online survey to measures awareness of micro and SME business customers to the retail water market.	✓
Business customer experiences of the market - follow up to 2017-18 work.	✓
<b>Price Review research</b>	
First part of PR19 research to assist in the delivery of the 2019 Price Review.	✓
<b>Stakeholder research</b>	
Stakeholder relationships with CCWater - to understand stakeholders' views on the priorities for CCWater and where we could improve further working relationships.	✓

[These plans are subject to change]

For our longer term research plans please refer to our [Forward Work Programme 2018-21](#).

## 8. Making sure our support services are effective and value for money

WHAT WE WILL DO	HOW WE WILL MEASURE OUR SUCCESS
Safe and secure environment for CCWater staff to work in.	Have no occurrences of avoidable reportable workplace incidents as per the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
Efficient Human Resources Support	Short and long-term sickness levels are managed below those of the public sector (8.5 days - based on figures from Chartered Institute of Personnel and Development, 2016).
	More than 67% are satisfied with the amount of training they received (as measured by our internal staff survey)
Efficient systems that support CCWater, which is shown through good governance, internal and external auditing.	Internal auditors confirm that effective systems are in place and external audit identifies no areas of concern which would result in the accounts being 'qualified'.
Efficient finance and budget management to ensure there is accountability for how water customers' money is spent.	Annual spend to remain within allocated Budget of £5.6m and Licence Fee of £5.527 million.
	All payments will be paid promptly - 80% of undisputed payments within five working days.
Efficient management of data.	All Freedom of Information Act requests and Subject Access Requests (SARs) are responded to within the statutory time scales to ensure we meet requirements such as the General Data Protection Regulations.
	All staff receive annual training/updates on their individual and organisational responsibilities.
Availability of information on CCWater's new contracts, payments to suppliers and Board members' expenses.	All expenditure details will be published in line with Government instructions and all Board members' expenses will be published within three months of quarter end.
Opportunities to come along to CCWater Board, regional and Wales committee meetings in public, and provide information about the issues under discussion.	All meetings in public are convened and advertised on our website, including agendas and available papers, seven working days in advance.

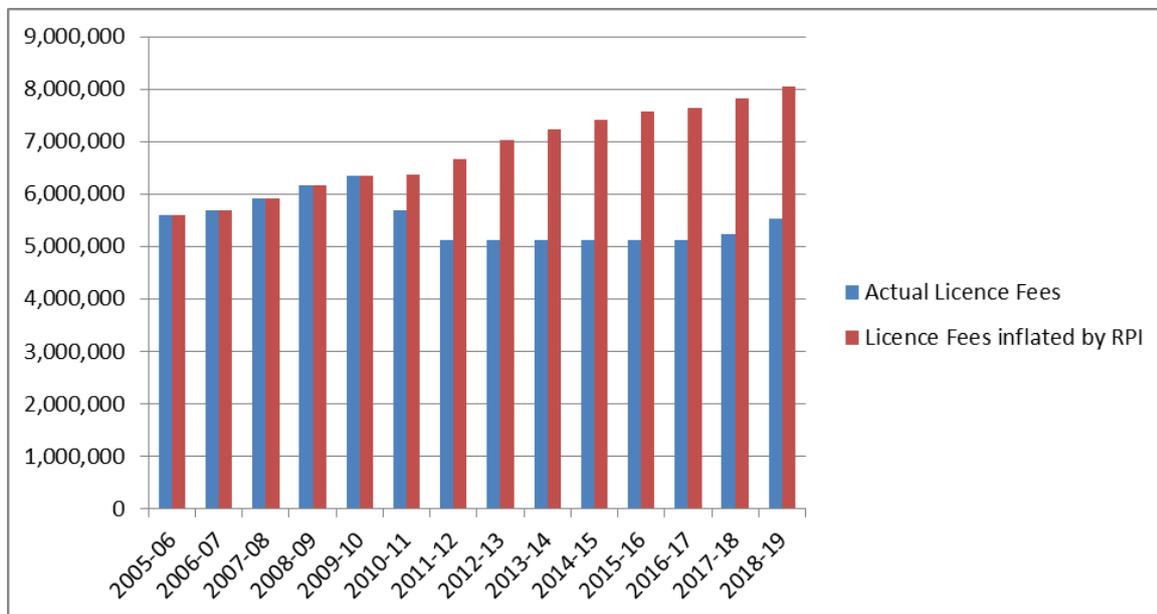
## 9. Resources

Since we were set up in 2005, we have demonstrated that we are committed to providing value for money and minimising our costs to water consumers through real-term cost reductions. CCWater is committed to keeping costs to a minimum, and has a good track record of this. On average, our licence fee has increased by less than inflation rate, and is 35% less than if RPI had been applied each year.

Since 2011-12 the cost of our licence fee has remained at 21p per water bill, as we have absorbed inflationary cost increases.

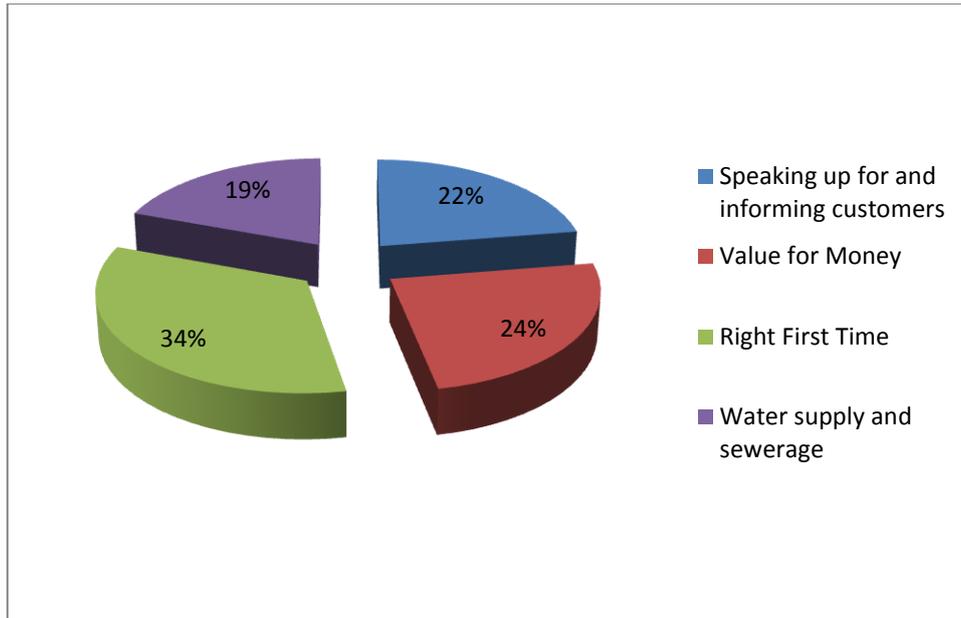
For 2018-19, our licence fee is £5.527m, an increase from £5.24m, as a result of inflationary pressures, workload associated with the 2019 Price Review and investment in ICT network infrastructure and systems. Our budget is £5.6m.

### Actual Licence Fee compared to what it would have been if we had taken RPI.



We manage the organisation with a headcount of 74 and full time equivalent staff of 71.29. We retain a strong regional and Wales focus through our Chairs, LCAs and policy staff working with the companies at the local level on the issues that matter to consumers. Section 11 on Governance explains this in more detail.

The graph on the next page shows how our resources are split between our priority projects.



Our organisation’s structure is set out in **Appendix B**.

## 10. Governance and risk management

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

### Governance

The organisation’s governance framework consists of the following key areas:

- The Board, comprising: the Chair of the organisation; the Chief Executive; the Chairs of the four committees in the English regions; the Chair of the Wales committee; and three independent Board members. The Board meets eight times a year and five of those meetings are open to the public.
- Three Board standing committees with responsibility for Audit and Risk Management, Human Resources & Remuneration, and an Advisory Committee to provide advice to the CCWater Board as necessary.
- There are 22 Local Consumer Advocates allocated to the four regional committees in England and the committee in Wales.
- The Chief Executive is supported by the Executive Team.

The National Audit Office undertakes the external audit function and internal audit services are provided by RSM under contract.

### Risk management

To support and monitor the effective delivery of our work we have a robust and well-embedded risk management framework and risk register. The strategy provides the basis for identifying, assessing and mitigating risks at all levels within the organisation. The framework is set out in our Risk Management Policy.

Risks that are identified within the organisation are scored against likelihood and impact to consumers and the organisation; and are categorised into ‘high’, ‘medium’ and ‘low’. The risk register is regularly reviewed by the Executive Team. The full risk register is also presented to the Audit and Risk Management Committee (a sub-committee of the Board)

every quarter and the highest perceived risks to the organisation are presented to the Board annually.

### **Alternative Scenarios**

When preparing our Operational Business Plan (OBP) and Forward Work Programme (FWP) we have taken into account a horizon scan of potential risks, impact and likelihood which may affect our plan. This has been considered by the Board as a key consideration of our strategy as reflected in the FWP and OBP.

We have built flexibility into the OBP, but if there was a Tailored Review, major new government or regulator initiative that required substantial resources, we may have to defer work on issues of lower strategic importance with the expectation that we will return to them in subsequent years (and therefore within the time bounds of the Forward Work Programme).

## APPENDIX A: Legal functions, duties and powers of CCWater

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

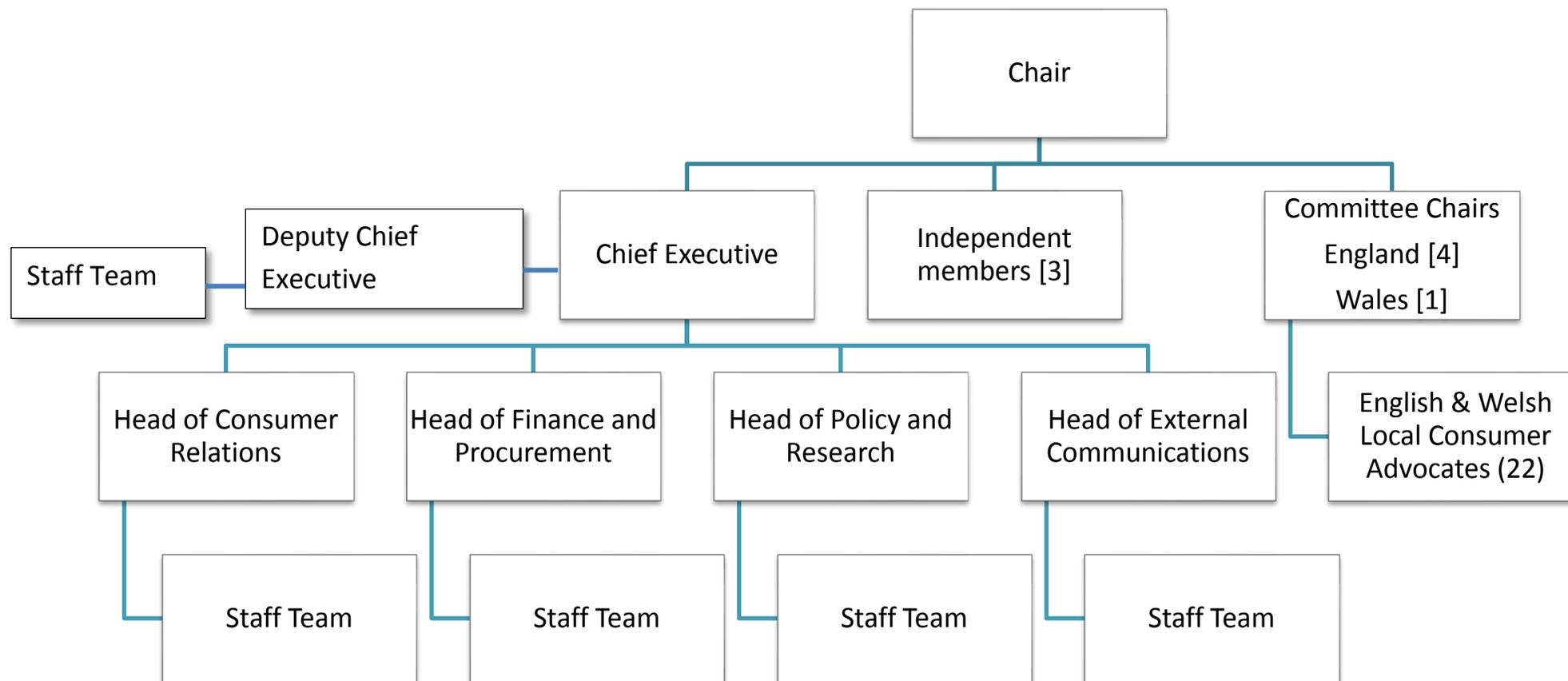
- **S27A (12) Establishment of the Council and Committees** - requires CCWater to exercise and perform its powers and duties in the manner which it considers is best calculated to contribute to the achievement of sustainable development.
- **S27B Co-operation between Council and other authorities** - requires CCWater to agree a memorandum of understanding with the Authority (Ofwat), the Secretary of State (Defra and DWI) and the Welsh 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 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.

**The Water Act 2014** gave CCWater some additional responsibilities, which involve being consulted on:

- **S66** The development of market codes, and some charging issues in the lead up to competition widening out to all non-household customers;
- **S43** Incumbents exiting the non-household retail market - the development of Regulations and depending on the final Regulations, possibly separately by companies when they apply to exit;
- **S40B** issues relating to the movement of water to undertakers, by Defra and separately by Welsh Government; and
- **S54** Licence changes as a result of consumer redress schemes;
- **S16** Water companies' charges schemes;
- **S38** Defra and separately the Welsh Government's Charging Guidance and **S24** separately their Strategic Priorities.

We must also represent the interests of consumers supplied by new entrants to the market; require, when necessary, information from the water supply or sewerage licensee; and deal with complaints from customers of water supply and sewerage licensees.

## Appendix B: Organisational structure



[You can read our Forward Work Programme here.](#)