

CONSUMER COUNCIL FOR



CYNGOR DEFNYDDWYR



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

**The Consumer Council for Water**

*The statutory water consumer body*

**Operational Business Plan 2019-20**

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# **1. About Us**

## **1.1 Our organisation - who we are, what we do and what we cost**

### **Who we are**

CCWater is the independent ‘water watchdog’, championing the interests of water consumers in England and Wales. Our aim is to secure the best outcomes for all water consumers, present and future.

Representing household, business and other non-household water consumers, we use our own research and complaints data to hold the water industry to account, helping to ensure that customers remain at the heart of decision-making.

Established in 2005, CCWater is a Non-Departmental Public Body (NDPB), and a statutory body.

During this document where we refer to ‘consumers’ we mean household, business and other non-household consumers.

### **What we do**

We campaign both regionally and nationally to make sure that the voices of consumers are heard and help shape the sector in England and Wales, making the water consumers’ case to governments, the industry regulator Ofwat, local water companies (including new smaller appointees), non-household retailers and other stakeholders, such as the Environment Agency and Natural Resources Wales.

We provide consumers with advice and information on water matters and investigate complaints where water customers have tried and failed to resolve issues directly with their water companies and retailers.

Since we were established in 2005, we have supported consumers with more than 380,000 complaints and enquiries by holding water companies to account and helped to return more than £27 million in financial redress to aggrieved household and business customers.

Our independent research into consumer attitudes and perceptions gives us a unique understanding of long-term industry trends, customer perceptions and day-to-day problems. This insight helps us to ensure the views and interests of consumers remain at the heart of the industry’s price-setting process.

### **Advocacy and Partnership**

We work in collaboration with the industry and beyond to provide advocacy for water and sewerage consumers. In addition to helping with complaints, also central to our work is making the water consumers’ case to governments, the industry regulator Ofwat, local water companies (including new appointees), non-household retailers and our other stakeholders, such as the Environment Agency or Natural Resources Wales. Where our interests appear to overlap with those of Ofwat and the Drinking Water Inspectorate, we seek to have effective partnerships with those organisations.

## What we cost

Our work for 2019-2020 will cost each water bill payer about 22p per year.

We are committed to providing value for money and minimising our costs to water consumers through real-term cost reductions. On average, our cost increases have remained below retail price index (RPI) for the past ten years.

For 2019-20, we have a licence fee of £5.783m, an increase from £5.527m during 2018-19, and a budget of £5.9m. This is due to the need for more resources to effectively handle increased complaint numbers to CCWater, particularly from non-household customers. It also reflects a continuation of our 2019 Price Review work, and some inflationary pressures. This increase is offset by a reduction in our accommodation costs through sharing our office accommodation with another government body from early 2019.

## 1.2 Delivery and management of the plan

Our Operational Business Plan for 2019-20 has been structured to show how we will deliver the first year of our Forward Work Programme.<sup>1</sup>

In delivering our Operational Business Plan, we will:

- Fulfil our legal duties set out in [Appendix A](#)
- Maintain a strong focus on consumer advocacy
- Consider sustainable development by balancing 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 area of work, we have identified our strategic priority and targets to measure how our work delivers 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 consumer research to assess the effects of our work and to monitor consumers' views about water and sewerage services.
- Assess consumers' experience of using our complaints handling 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<sup>2</sup>. 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.

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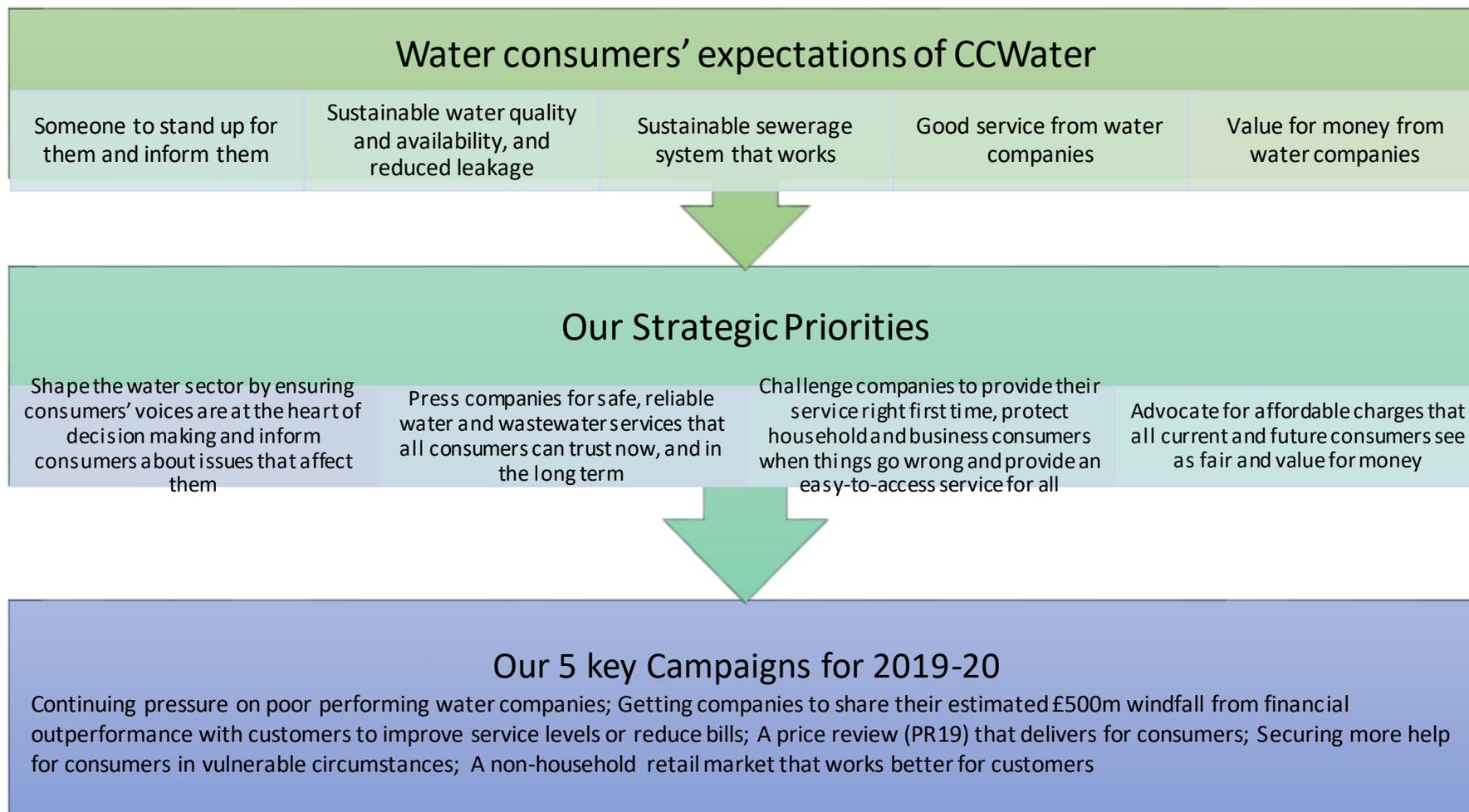
<sup>1</sup> CCWater Forward Work Programme 2019-22. Link [here](#).

<sup>2</sup> A Tailored Review is a Government level focused review of the organisation.

## 2 Our strategy and what we'll deliver in 2019-20

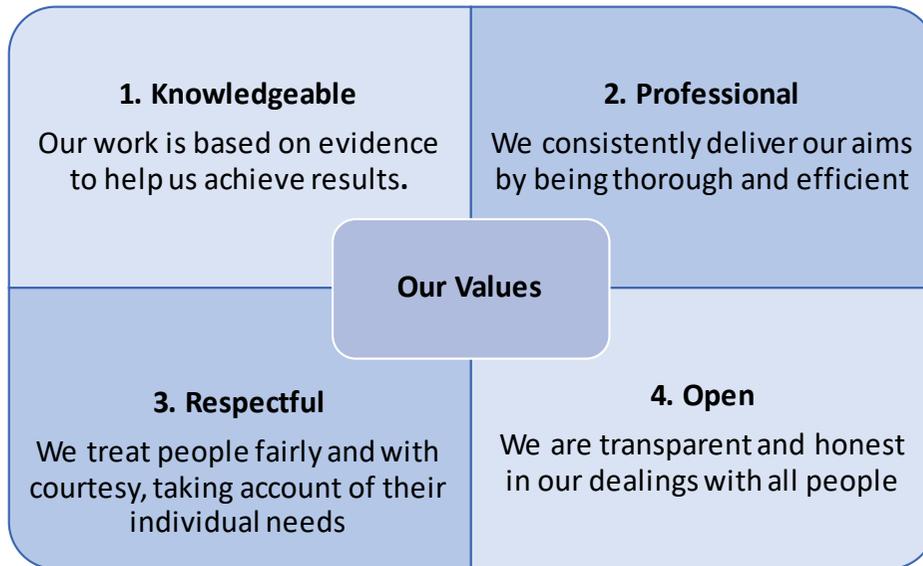
### 2.1 Our strategic aim: Securing the best outcomes for all water consumers - present and future

This Operational Business Plan is a plan to help us achieve our aim on behalf of water consumers in England and Wales. In doing so, we'll focus on four key strategic priorities, which have been informed by consumers' expectations of what they want us to do.



## 2.2 Our Values

These values define shape how we do our work and guide us in our day-to-day work and decisions.



We are a dementia friendly organisation.

## 2.3 Our 5 key campaigns for 2019-20

We have ambitious plans and have outlined five key areas where we'll be campaigning to make a real difference on behalf of water consumers in England and Wales during 2019-20. Our main campaign objectives are shown below, and these will be supported by our continuing statutory work to help customers with their complaints, review companies' charges schemes and assess social tariff proposals:

### **1. Continuing pressure on poor performing water companies**

We'll do this by:

- Using our data to look at systemic industry wide complaint issues, so we can press companies to resolve the root causes of complaints.
- Addressing underperformance in complaints, leakage, resilience, sewerage and service problems with water companies and retailers directly and publicly, and looking at how the complaint process can be improved.
- Maintaining pressure on Ofwat to penalise poor performing water companies where necessary.

### **2. Getting companies to share their estimated £500m windfall from financial outperformance with customers to improve service levels or reduce bills**

We'll do this by:

- Highlighting the financial performance of water companies, and encouraging greater transparency from companies on how their financial performance benefits customers.
- Negotiating with companies to share their financial outperformance with customers to help improve perceptions on fairness of charges, value for money and the credibility of the company with its customers.

### **3. A price review (PR19) that delivers for consumers**

We'll do this by:

- Testing with customers the acceptability of Ofwat's PR19 Draft Determinations and pushing for change where plans fall short.
- Pressing for the customer experience measure (C-MeX) to strongly incentivise material improvement in companies' performance.
- Challenging Ofwat's regulatory incentive regime (ODIs) so that it only rewards companies for exceptional performance in areas that consumers value the most.
- Keeping pressure on Ofwat's decisions on cost of capital and incentives to make sure PR19 is less generous than previous price reviews.

### **4. Securing more help for consumers in vulnerable circumstances**

We'll do this by:

- Supporting companies in surpassing their targets to help 500,000 financially vulnerable customers by April 2020.
- Pressing companies to contribute to their social tariff out of their profits and thereby improving their credibility in the eyes of their customers.

- Keeping the pressure on companies to consider all consumers in vulnerable circumstances, including those regarded as ‘transient vulnerable consumers’ - during unplanned interruptions.
- Keeping the pressure on companies to offer meaningful help and raise awareness of support to all consumers.

## **5. A non-household retail market that works better for customers**

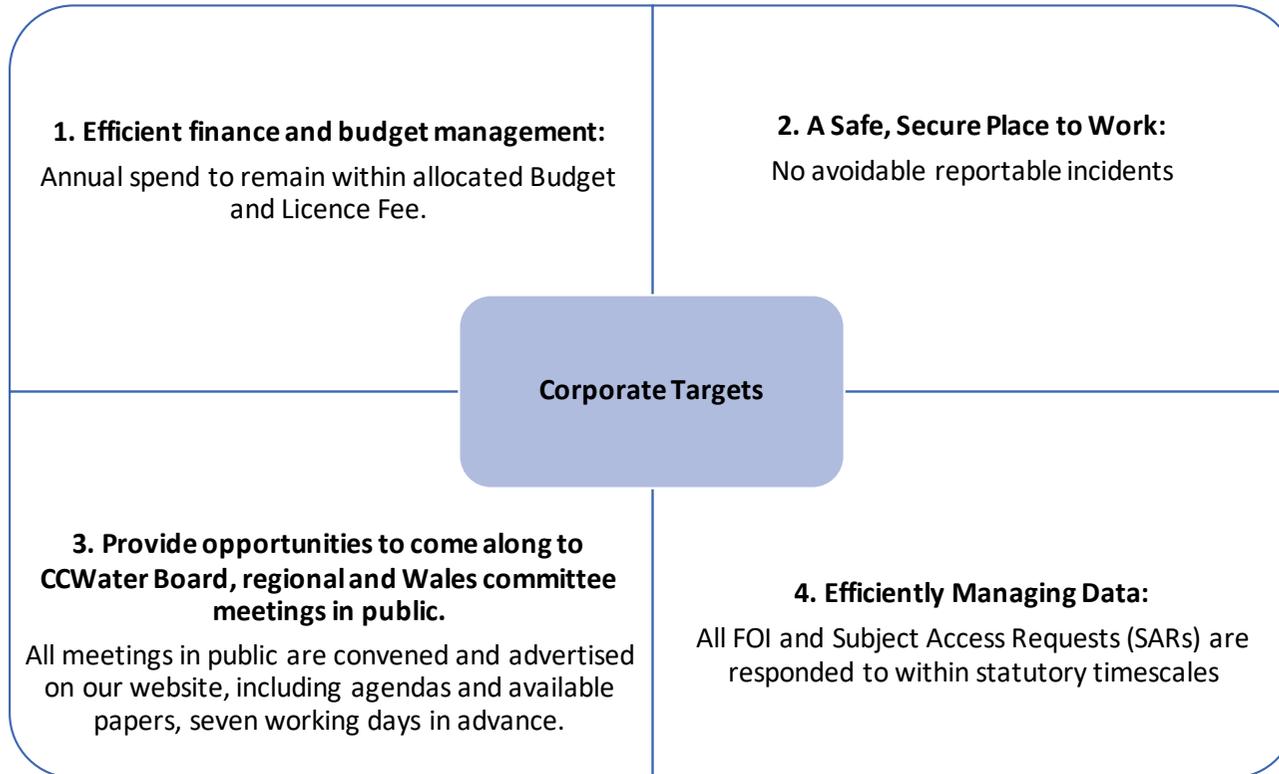
We'll do this by:

- Putting pressure on wholesalers and retailers to resolve the billing and data problems that are causing issues for customers.
- Effecting a reduction in business customers' complaints to us by the end of March 2020, compared to 2017-18 levels.
- Working with retailers and third parties to raise market awareness amongst micro, small and medium-sized businesses (SMEs).
- Putting pressure on wholesalers and retailers to have plans in place and work together during emergencies, such as water supply interruptions, to ensure NHH customers understand how to access alternative water supplies and when their supplies will be restored.

## 2.4 Our Corporate Targets

These are targets we are working to achieve.

A full list can be found under [Section 5](#) *Making sure our support services are effective and value for money.*



### 3. Delivering our strategic priorities for 2019-20

#### 3.1 Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them

Headline outcomes from our Forward Work Programme:

- Stakeholders' messages influenced by and reflective of our key positions.
- Consumers are more informed about water issues, with our media messages reaching a potential audience of 150m and our web and social media messaging reaching 2m.

Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them WHAT WE WILL DO:	OUTCOMES	England and Wales action	Action for local team
Being an advocate for water consumers to get the consumers' voice heard			
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.	Stakeholders' messages influenced by and reflective of our key positions	✓	✓
Proactively seek opportunities to raise consumer issues, such as on using water wisely; water bills; refill scheme; fats, oils and grease disposal, in broadcast, print and online media, nationally and locally, in conferences, 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 our media messages reaching a potential audience of 150m and our web and social media messaging reaching 2m	✓	✓
Publish a single league table to show company performance on areas that matter most to customers, that we can influence, on a comparative basis. <i>(subject to an initial trial)</i>	Due to trial nature of this, this won't have a measure during 2019-20	✓	

<p>Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them</p> <p><b>WHAT WE WILL DO:</b></p>	<p><b>OUTCOMES</b></p>	<p>England and Wales action</p>	<p>Action for local team</p>
<p>Encourage innovation in responding to customer service aspirations, as well as water and wastewater developments and consumer engagement.</p>	<p>Stakeholders' messages influenced by and reflective of our key positions</p>	<p>✓</p>	<p>✓</p>
<p>Press for service standards for business customers in England and Wales to be excellent</p>			
<p>Locally we will challenge retailers, wholesalers and water companies operating in England and Wales, to work improve service standards for business customers.</p>	<p>Non-household complaints to retailers and CCWater fall</p>	<p>✓</p>	<p>✓</p>
<p>Help to raise customer awareness of the water and sewerage retail market in England and what it offers, by pressing retailers to engage with businesses and 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 60% by March 2020</p>	<p>✓</p>	
<p>Understand how the market in England is working for participants, including micro businesses and SMEs; help sort problems out as they arise, and raise systemic problems with decision makers, and build on our strong relationships with trade organisations.</p>	<p>Non-household complaints to retailers and CCWater fall</p>	<p>✓ E Means England only action</p>	
<p>Protect customers by working on NHH market code amendments, feeding into consultations, and supporting good practice as necessary.</p>	<p>Market codes are amended where needed to resolve issues. Good practice is adopted as market standard and companies improve policies and procedures as a result</p>	<p>✓ E</p>	
<p>We will focus on ensuring business and other non-household customers get excellent customer service, and where relevant, advise Defra and the Welsh Government of emerging issues through our monitoring of non-household customer contact.</p>	<p>Our monitoring framework shows business customers are satisfied and receive excellent customer service</p>	<p>✓</p>	

<p>Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them</p> <p><b>WHAT WE WILL DO:</b></p>	<p><b>OUTCOMES</b></p>	<p>England and Wales action</p>	<p>Action for local team</p>
<p>Monitor business customer feedback on the advantages and disadvantages of retail competition, and will inform the governments on lessons learnt by the market in England, and inform any future discussions on further competition in England.</p>	<p>Decisions by Defra and Welsh Government reflect our positions, as influenced by customer feedback, as WG considers future policy on market reform in Wales, and Defra considers lessons learnt from the NHH retail market in England</p>	<p>✓</p>	
<p>Help micro, small and medium-sized businesses think about water efficiency through our partnership links.</p>	<p>NHH water usage falls</p>	<p>✓</p>	
<p><b>Monitoring and challenging companies to improve the credibility of the sector, including on financial performance</b></p>			
<p>Publish information on company financial performance in order that companies challenge themselves to consider how their approach to profits, dividends and senior salaries appears to consumers and affects their credibility more widely.</p> <p>To monitor and challenge companies to improve consumers' view on fairness of charges in the sector with regard to their financial performance e.g. dividends, taxation and corporate structures.</p>	<p>Water companies share more financial details and consumers' view of fairness of charges improves</p>	<p>✓</p>	
<p>Challenge water companies to share their success if there is evidence of financial outperformance or windfalls (e.g. resulting from higher inflation) 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>✓</p>	<p>✓</p>
<p>Monitor and challenge the final year of PR14's Outcome Delivery Incentive (ODI) performance during 2019-20, particularly where outperformance leads to financial rewards for shareholders paid for by consumers. Encourage the involvement of consumers in considering how financial rewards should be used for the benefit of consumers.</p>	<p>Companies have listened to customers when taking ODI rewards</p>	<p>✓</p>	<p>✓</p>

<p>Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them</p> <p><b>WHAT WE WILL DO:</b></p>	<p><b>OUTCOMES</b></p>	<p>England and Wales action</p>	<p>Action for local team</p>
<p>We will also challenge Dŵr Cymru on how it uses financial rewards despite having no shareholders</p>	<p>Dŵr Cymru/ Welsh Water clearly communicates how consumer views have influenced their return of value decisions</p>		
<p>In Wales, continue to challenge if licence changes from Severn Trent's acquisition of Dee Valley (now Hafren Dyfrdwy) cause changes that could adversely affect <u>any</u> customers.</p>	<p>The future bill profile for customers of Hafren Dyfrdwy does not show sudden increases in their bills. Or where increases are necessary, the rise is mitigated</p> <p>No changes in customer policies and service which would disadvantage customers of Hafren Dyfrdwy</p>	<p>✓</p>	
<p><b>Informing consumers and holding companies to account</b></p>			
<p>Publish comparative information on company performance to challenge companies to deliver an increasingly reliable service to their consumers and to increase customer satisfaction with service.</p>	<p>Performance of companies in England and Wales improves and consumers' perception of service improves</p>	<p>✓</p>	
<p>Publish information on company performance and good practice on affordability and vulnerability to challenge companies to raise the bar in their provision of support for their customers.</p>	<p>More consumers get the support they need, eg: social tariffs and services that are accessible for all</p> <p>Consumers' awareness of support increases</p>	<p>✓</p>	
<p>Publish information on company performance on household complaints to challenge companies to deliver performance that compares well to the best companies in the sector.</p>	<p>Performance of companies in England and Wales improves</p>	<p>✓</p>	
<p><b>Easy access to our services</b></p>			
<p>Ensure easy access to CCWater for customers who need us for advice or to resolve a water complaint by telephone, email, social media or letter.</p>	<p>Consumers are able to contact us via a variety of communication methods</p>	<p>✓</p>	

<p>Shape the water sector by ensuring consumers' voices are at the heart of decision making and inform consumers about issues that affect them</p> <p><b>WHAT WE WILL DO:</b></p>	<p><b>OUTCOMES</b></p>	<p>England and Wales action</p>	<p>Action for local team</p>
<p>We also hold meetings in public across the English regions and in Wales which allow consumers opportunities to talk to us face to face and use our services.</p>	<p>The stakeholder survey shows that this aspect of our work is valued Consumers attend our committee and Board meetings in public</p>	<p>√</p>	
<p>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.</p>	<p>Consumers who request Welsh communication receive this support</p>	<p>√W Means Wales only action</p>	

## 3.2 Press companies for safe, reliable water and wastewater services that all consumers can trust now, and in the long term

Headline outcomes from our Forward Work Programme:

- All water companies meet or exceed their leakage targets.
- Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 170 by March 2020.
- Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 368 or below by March 2020.

### Our work on water resources

Safe, reliable water and wastewater services that consumers can trust now and in the long term WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
<b>Water Resources</b>			
<b>Pressing for affordable, safe, resilient water supplies that deliver the best value for money now and in the long-term.</b>			
We will challenge if Ofwat’s draft determination (DD) does not strike the right balance between the need to provide affordable services with the need to invest appropriately in delivering high quality, resilient services in the long term.	Ofwat’s final determination is influenced by and reflective of our key positions.	✓	
As governments develop their long-term water resources planning and management policies CCWater will provide the consumer perspective using its consumer insight.	Governments’ policies influenced by and reflective of our key positions	✓	
<b>Challenging leakage levels when performance is poor. Press companies to beat their leakage performance commitments.</b>			
We will challenge companies performing poorly on leakage through our local work, but also ensure customers’ views on leakage stay on the industry’s agenda. We will also help to raise awareness of	All water companies meet or exceed their leakage targets	✓	✓

Safe, reliable water and wastewater services that consumers can trust now and in the long term <b>WHAT WE WILL DO</b>	<b>OUTCOMES</b>	England and Wales action	Action for local team
customers' responsibility for private supply pipes and for dealing with any leaks on these pipes and in their homes.			
<b>Influencing and promoting activity to help consumers understand why it is important to use water wisely.</b>			
Work to raise household and business consumers' awareness of the challenges the sector faces, what is being done to address these challenges, and explain the reasons why it is important for everyone to use water wisely.	Consumers have the bigger picture of why we need to use water wisely and this message is communicated by stakeholders we have influenced as well as ourselves	✓	✓
Work with the stakeholders in England and Wales, including the Welsh Government on their plans to develop consistent messages helping consumers understand the 'bigger picture' (of why we need to use water responsibly) and encouraging consumers to use water wisely now and in the future.		✓	✓
<b>Advising on the customer implications of any metering programmes and potential changes in metering policy in England.</b>			
Represent consumers' views if there are Government proposals to change its metering policy	Governments policies influenced by and reflective of our key positions	✓	
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.	Consumers are given advice and help to transition to metered charging		✓
<b>Contributing to discussions with companies and governments on customer supply pipe adoption.</b>			
Advise governments on consumer responses to potential scenarios for transferring responsibility for customer owned water supply pipes to	Governments policies influenced by and reflective of our key positions	✓	Page 1

Safe, reliable water and wastewater services that consumers can trust now and in the long term <b>WHAT WE WILL DO</b>	<b>OUTCOMES</b>	<b>England and Wales action</b>	<b>Action for local team</b>
water companies, as a response to water supply interruptions due to customer side leakage, and stricter lead standards.			
<b>Improving resources to everyone</b>			
As companies further examine strategic water transfer options; in response to firm proposals, we will seek assurance /and be satisfied that costs are fairly allocated without exposing either customer base to any additional risks or potential cross-subsidy.	Stakeholders views influenced by and reflective of our key positions	J	
In England, we will respond to any further consultation by Defra on the proposals contained in the recent Water Conservation Report to Parliament, and provide the consumer insight required.	Stakeholders views influenced by and reflective of our key positions	J/E	
In Wales, we will work with other stakeholders to explore how consumers of private water supplies can be supported in times of need.	Consider the feasibility of this additional work, so we can contribute to Welsh Government’s policy development	J/W	

## Our work on water quality

Safe, reliable water and wastewater services that consumers can trust now and in the long term WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
Provide the consumer perspective into debates on customer expectations around service issues like taste and odour and appearance of the water supply.			
Where we have persistent or a large number of complaint issues on water quality, we will address them at our quarterly meetings with companies or at meetings in public, involving the Drinking Water Inspectorate (DWI) where needed.	Complaint numbers on water quality fall for the poor performing company		√
Provide the consumer perspective into company solutions to improving standards on lead in the water supply in Wales and England			
In Wales, we will continue to engage with Welsh Government, and use the evidence from our customer research, as it considers options around the costs versus the benefits of customers supply pipe adoption by companies, and if it is necessary in Wales.	The Welsh Government's policies influenced by and reflective of our key positions	√W	

## Our work on wastewater

Safe, reliable water and wastewater supplies that consumers can trust now and in the long-term WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
<b>Pressing for investment in sewerage systems and innovative, future plans that demonstrate the best value for money over the long term</b>			
Engage in the development of Drainage and Sewerage Plans by the water industry to ensure the consumer perspective has been considered, especially in terms of value for money, and planning for long-term resilience.	Consumers' views and perspectives have been accounted for in the Drainage and Sewerage Plans	✓	✓
In Wales, we will represent consumers in Wales' interests, where needed on the Green Growth Bill, as it looks to streamline drainage legislation.	Consumers' views and perspectives have been accounted for in the legislation in Wales	JW	
We will represent consumer interests in discussion on sewerage and drainage reform following the Welsh Government consultation on sustainable management of natural resources, including on any future drainage legislation.	Consumers' views and perspectives have been accounted for	JW	
<b>Review company performance on sewer flooding.</b>			
Review company performance on sewer flooding so we can target and challenge poor performers; identify good practice and innovative solutions. Press companies to beat, not just meet their sewer flooding performance commitments.	Fewer consumers need to complain to CCWater about sewer flooding and complaint numbers to us reduce to 368 or below by March 2020		✓
<b>Supporting pragmatic, sometimes innovative solutions to water and wastewater problems, such as catchment schemes</b>			
Encourage innovation with partnership working on drainage issues. We will continue to encourage companies to share good practice and knowledge on surface water drainage systems.	Consumers benefit from innovative ideas through bill reductions	✓	Page 26

<b>Safe, reliable water and wastewater supplies that consumers can trust now and in the long-term</b> <b>WHAT WE WILL DO</b>	<b>OUTCOMES</b>	<b>England and Wales action</b>	<b>Action for local team</b>
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.	Consumers are more informed about water issues, with our media messages reaching a potential audience of 150m and our web and social media messaging reaching 2m	✓	✓

### 3.3 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 outcomes from our Forward Work Programme:

- An upward trend in consumer awareness of additional help available from water companies for consumers in vulnerable circumstances<sup>3</sup>.
- Consumers receive a satisfactory and prompt response from us when complaining about their water company, and we meet or exceed our complaint handling performance standards outlined [here](#).
- Poor performing water companies improve their service and receive significantly fewer complaints and contacts.

WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
<b>Consumer advice &amp; complaints</b>			
Using our data, we will look at systemic industry wide complaint issues, so we can press companies to resolve the root causes of complaints.	Complaints against companies to CCWater about billing and charges reduce below our 2018-19 level.	✓	✓
Publish annual Household Complaints Report highlighting poor performers, and press for improvements by individual poor performing companies and where there is a significant cross-industry issue	Poor performing water companies improve their service and receive significantly fewer complaints and contacts, as shown in our 2020 Complaints Report	✓	
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.	C-Mex design reflects our key positions.  Over time the C-Mex scores improve and the industry compares well to other sectors	✓	Page 22

<sup>3</sup> Reported in our 2020 Water Matters survey.

An easy-to-access service is provided right first time for all <b>WHAT WE WILL DO</b>	<b>OUTCOMES</b>	England and Wales action	Action for local team
Conduct assessments of companies' complaint and debt practices.	Customers complain less about company debt management practices		✓
Highlight and share good practice and innovations in the spirit of continuous improvement through our publications.	Services to consumers improve as water companies and retailers adopt our good practice recommendations and improve complaint and debt management	✓	✓
Provide good quality, impartial 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 water company, retailer or third party intermediary.	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 2019-20. The full list of our standards are outlined <a href="#">here</a>	✓	
Work with the Water Redress Scheme (WATRS) to ensure good outcomes for those consumers where CCWater's intervention has not given them the result they wanted.	Eligible complaints are signposted to WATRS or a retailer's choice of ADR provider The journey will be seamless, low-effort and timely for customers	✓	
<b>Business Customers in England and Wales</b>			
Press retailers and water companies so business and other non-household customers in England and Wales receive good or improved services from their retailers or wholesalers.	Non-household complaints about retailers and wholesalers reduce over time	✓	✓
Publish an annual report of complaints from non-household customers covering retailers in England and water companies in Wales to allow customers to see the performance of each retailer.	Non-household complaints about retailers and wholesalers reduce over time	✓	
Publish quarterly monitoring information on complaints to CCWater from non-household customers.	Non-household complaints about retailers and wholesalers reduce over time	✓	
Hold business customer forums and use the feedback to inform our work representing customers and pressing for the retail market to deliver the right outcomes for customers.	Non-household complaints about retailers and wholesalers reduce over time	✓	

An easy-to-access service is provided right first time for all WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
<b>Consumers in vulnerable circumstances</b>			
Share good practice and innovations through our publications on water companies reaching consumers in vulnerable circumstances.	Consumers benefit as companies adopt our good practice recommendations as part of our collaborative work with them	✓	✓
Explore opportunities to champion inclusive design, improve safeguarding, priority services and other ways to assist consumers in vulnerable circumstances.		✓	✓
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 43% (in 2017)	✓	✓
<b>Improving the complaint process for customers</b>			
Work with the industry to speed up their complaint handling and minimise delays to the complainant.	The average time taken to resolve customer complaints reduces over time	✓	
<b>Supporting business customers in Wales</b>			
Advise and support business and other non-household customers in border areas of England (Herefordshire, Chester), whose ability to access the competitive retail market has changed through the new Hafren Dyfrdwy license.	Consumers are supported and informed about the changes		✓
<b>Investigating how comprehensive water companies' emergency plans are in event of an incident (esp. to vulnerable consumers).</b>			
Locally, we will review how companies are informing, protecting and supporting consumers during unplanned supply interruption incidents, and other major events. We will share good practice from within and outside the sector and will review company progress against their submitted action plans to Ofwat in response to the "Beast from the East 2018".	Fewer consumers need to complain to CCWater about supply interruptions, and complaint numbers to us reduce below 170 by March 2020		✓

## The standards we deliver to consumers when handling their complaints

In terms of our own complaint handling performance standards, we compare well to similar organisations. We are always aiming to improve further and maintain our good standards, regardless of the new and varied complaints we receive. We set ourselves challenging targets in case acknowledgement and resolution times, as well as in customer satisfaction and aim to meet them year on year. This is more challenging lately due to the increase in complaints from business customers. This additional workload means we have had to increase our capacity to answer customers' calls, which has impacted on our Licence Fee for 2019-20.

Our performance standards	Our consumer satisfaction targets
<ul style="list-style-type: none"><li>• 99.5% of complaints acknowledged within five working days.</li><li>• 80% of complaints resolved within 20 working days.</li><li>• 91% of complaints resolved within 40 working days.</li></ul>	<ul style="list-style-type: none"><li>• 75% of consumers satisfied with the quality of our complaint handling service.</li><li>• 61% of consumers satisfied with their complaint outcome.</li><li>• 80% of consumers satisfied with the speed of our service.</li></ul>

These performance standards and consumer satisfaction targets compare favourably to other comparator organisations.

## 3.4 Advocate for affordable charges that all current and future consumers see as fair and value for money

Headline outcomes from our Forward Work Programme:

- An increased number of consumers rating their water and sewerage bill as representing value for money.
- More consumers finding their bills affordable in 2020
- More consumers considering their bills to be fair.

Affordable charges that all current and future consumers see as fair and value for money WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
<b>Consumer Protection - assistance schemes</b>			
Help further enhance awareness and access to assistance schemes for consumers who are experiencing affordability issues.	More consumers find their bills affordable in 2020	✓	
<b>Data sharing</b> Help secure the effective implementation and use of data sharing (Digital Economy Act).	The number of consumers accessing water company tariff schemes, such as WaterSure and social tariffs, increases by 10 percentage points by March 2020	✓	
Share innovations and good practice in data sharing.		✓	✓
Work with companies as they review and enhance social tariffs and other assistance schemes. Monitor the effectiveness of social tariffs and identify improvements to maximise assistance to those in need.	More consumers find their bills affordable in 2020  The number of consumers accessing water company tariff schemes, such as WaterSure and social tariffs, increases by 10 percentage points by March 2020	✓	✓
<b>Pressing for a long-term social tariff funding model</b> Investigate consumers' views on affordability and consumer expectations around social tariffs - consider what the next generation of social tariffs should look like.	Stakeholders' messages influenced by and reflective of our key positions	✓	

Affordable charges that all current and future consumers see as fair and value for money WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
Due to concerns around the impacts from changes, work with the water companies operating in Wales where they might end up reviewing their social tariff (HelpU) and assistance schemes to address new customer feedback, revised guidance and the need to adapt to changing needs of financially and otherwise vulnerable groups.	Measures are put in place by companies in Wales to mitigate the impacts for financially vulnerable customers which might result from changes to their social tariff schemes	√W	
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.	The Water Strategy for Wales is successfully delivered on the principal actions we can influence	√W	√
Challenge Hafren Dyfrdwy to implement the requirements for landlords in Wales and register their tenants who are liable for the water and sewerage bills.	Tenants are aware of need to pay water and sewerage bills and avoid build-up of debt	√W	√
<b>Consumer Protection - Fair Charges</b>			
Represent water consumers' interests in charging matters to water companies, NAVs, 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 2020 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 Matters 2020 survey	√	
Ensure bill shocks are avoided/mitigated, including for customers of Hafren Dyfrdwy following the acquisition by Severn Trent of Dee Valley Water.	The future bill profile for customers in Wales of Severn Trent or Hafren Dyfrdwy does not show sudden increases in their bills. Or where increases are necessary, the rise is mitigated	√W	

Affordable charges that all current and future consumers see as fair and value for money WHAT WE WILL DO	OUTCOMES	England and Wales action	Action for local team
	No changes in customer policies and service which would disadvantage customers in Wales of Severn Trent or Hafren Dyfrdwy		
Work with the water companies to ensure that the implementation of the Fire Sprinkler regulations does not result increased charges for water customers in Wales.	Customers in Wales do not see increased charges due to implementation of the Fire Sprinkler regulations	√W	
<b>Local and Wales Challenges</b>			
We will challenge companies locally to ensure they deliver their business plans and progress monitored via our quarterly meetings. We will also challenge at our local meetings in public where we have concerns about progress.	Company performance improves and companies meet targets set out in their business plans		√
Keep the pressure up on companies to improve customers' perception of value for money, as this impacts on customer's view of how much they trust their water company, through our publications, conference appearances and in the media.	Customer satisfaction with value for money in the 2020 Water Matters survey increases	√	√
<b>The 2019 Price Review</b>			
<b>Draft Determinations</b>			
We will acceptability test Ofwat's draft determinations with each company's consumers, pressing for the final determination to meet customers' expectations.	80%+ of uninformed customers accept the draft determination. Views of customers who find the determination unacceptable are understood, and this is used to press Ofwat to produce Final Determinations that respond to consumers' concerns and tackle the actions necessary to address the issues of those consumers that are unhappy with the draft determination.	√	
We will review and respond to Ofwat's draft determinations, including their final view on the cost of capital.	Consumers' bills are less than they would have been as final determination shows the cost of capital is within the range we recommended	√	√

Affordable charges that all current and future consumers see as fair and value for money <b>WHAT WE WILL DO</b>	<b>OUTCOMES</b>	England and Wales action	Action for local team
Review whether the draft determinations address financial and wider vulnerability.	Overall the draft determinations show the industry will be providing meaningful help to twice as many financially vulnerable customers by 2025. Any potential improvements (company and/or sector level) we raise are addressed in the Final Determinations	✓	
<b>Performance Commitments</b>			
Challenge Ofwat on their draft determinations, if performance commitments are lacking in their ambition; don't reflect consumers' views on ODIs or the customer priority of the incentive in question.	Performance commitments are ambitious in terms of targets and/or stretching performance 2020-25 when PCs compared across companies and where this is in line with customer expectations	✓	
<b>Reviews and Representations</b>			
Consider the impact of the 2019 Price Review in England and Wales from the consumer perspective and what aspects could be more consumer-focused in the future.	Stakeholders' messages influenced by and reflective of our key positions resulting from our assessment of the 2019 price review and any areas for improvement we identify	✓	
Consider the future of consumer engagement in price reviews.		✓	
We will represent customers at any Competitions and Markets Authority (CMA) inquiry, if a water company appeals against Ofwat's final determination.	The CMA's conclusions influenced by and reflective of our key positions	✓	✓

## 4. Our plans to deliver consumer insight through research during 2019-20

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. We intend to trial a consumer panel or community in 2019-20 to help us gather customers' views in a simpler way for certain topics. 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.

**Our plans are below but are subject to change:**

<b>Research that supports our delivery during 2019-20</b>
<b>Tracking research</b>
<a href="#">Water Matters</a> - our extensive yearly household consumer research, which provides a comprehensive view of consumers' positions on water and sewerage issues, including on value for money and satisfaction with service.
<a href="#">Testing the Waters</a> - our large scale survey of business customers in England and Wales to measure how they feel about water and sewerage issues that affect them, including value for money, while gauging their perceptions of the water industry.
<b>Other research or consultancy</b>
Understanding what future customers will need from the water industry - how things might change for customers in the future, and how the water industry will have to adapt.
<b>Price Review research</b>
PR19 research - Acceptability of Ofwat's draft determinations.
Understanding the needs of customers in the company business planning process.
<b>Publish our supplementary insight reports gained from our understanding of research</b> - This includes our highlights report, which each year will focus on an area of consumer detriment as revealed by the data, such as value for money, and what the industry can do to positively change perceptions.

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

### 5.1 Support Services

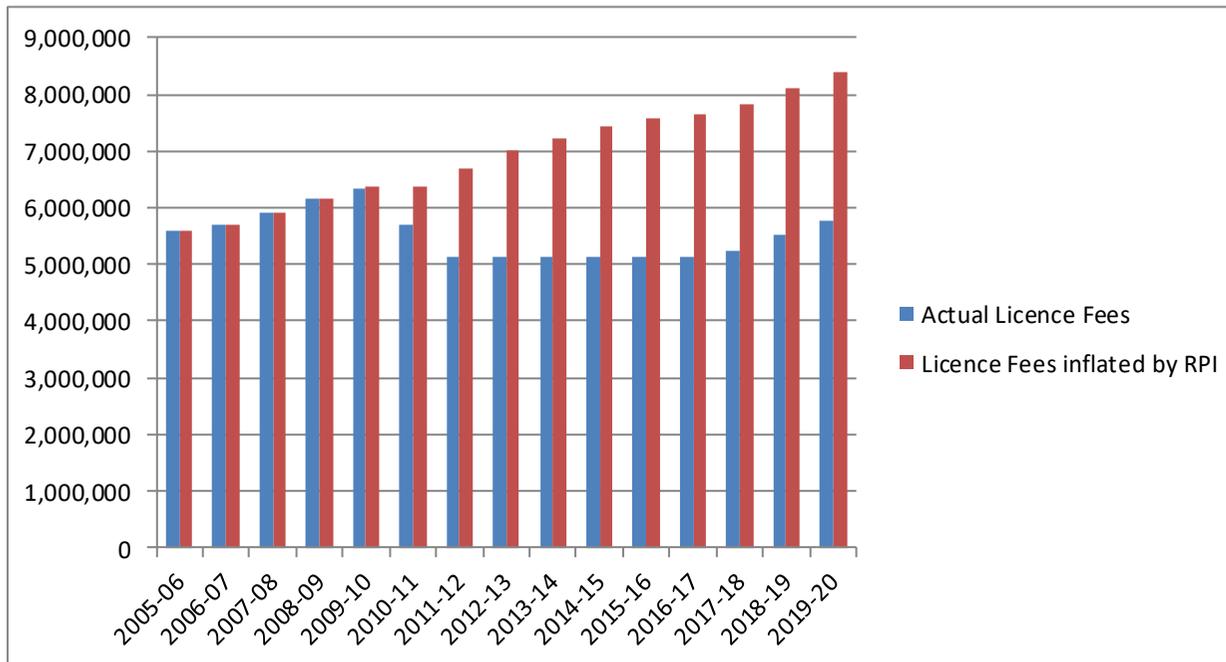
WHAT WE WILL DO	OUTCOMES
Safe and secure environment for CCWater staff to work in.	Have <b>no occurrences of avoidable reportable workplace incidents</b> as per the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
Efficient Human Resources Support	Short and long-term sickness levels are managed below those of the public sector (8.5 days - based on figures from Chartered Institute of Personnel and Development, 2018).
	More than <b>67%</b> are satisfied with the amount of training they received (as measured by our internal staff survey)
Carry out a 'gender pay gap' analysis annually	CCWater is committed to building a diverse and inclusive workplace. ' <b>Gender pay gap' analysis</b> will communicate to existing staff that, that <b>it</b> gives equal opportunities to all employees irrespective of gender.
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.	<b>Annual spend to remain within allocated Budget of £5.9m and Licence Fee of £5.783 million.</b>
	All payments will be paid promptly - 80% of undisputed payments within five working days.
Efficient management of data.	<b>All Freedom of Information Act requests and Subject Access Requests (SARs) are responded to within the statutory time scales</b> 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.
Provide opportunities to come along to CCWater Board, regional and Wales committee meetings in public.	All meetings in public are convened and advertised on our website, including agendas and available papers, seven working days in advance.

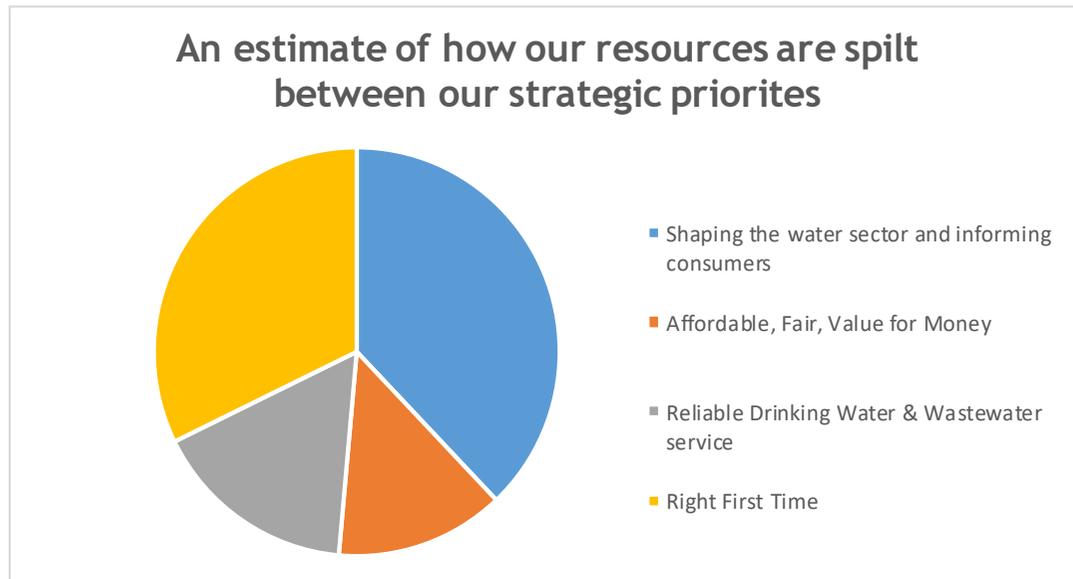
## 5.2 Resources

This section expands on our ['What we cost'](#) information in Section 1.

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



The chart below shows an estimate of how our resources are split between our priority projects. Much of our price review work, research spending and non-household retail market work (excluding complaints), is under the 'shaping the water sector and informing consumers' priority. Our price review work will work across the other strategic priorities including pressing companies for safe, reliable drinking water and wastewater services now and in the long-term.



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, Local Consumers Advocates (LCAs) and policy staff working with the companies at the local level on the issues that matter to consumers. [Section 6](#) on Governance explains this in more detail.

Our organisation's structure is set out in [Appendix B](#).

## 6. 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 usually 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 LCAs 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.

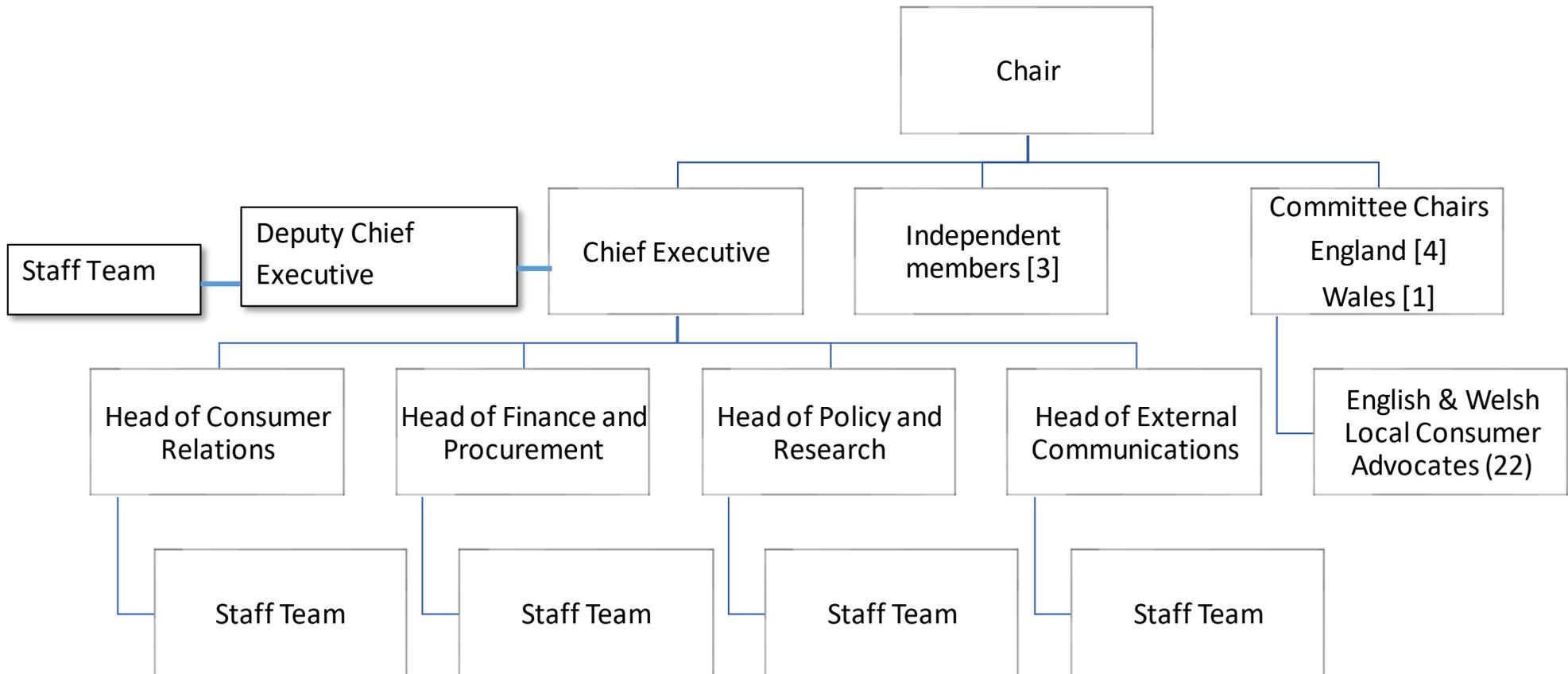
- **S38B Publication of statistical information about complaints: (water)** - requires CCWater to publish statistical information relating to complaints received by undertakers, licensed water suppliers and regulators about water services.
- **S95B Publication of statistical information about complaints (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.](#)

Consumer Council for Water  
Victoria Square House  
Victoria Square  
Birmingham  
B2 4AJ

CCWater Wales  
General Buildings  
31-33 Newport Road  
Cardiff  
CF24 0AB