



ccw

The voice for water consumers  
Y corff sy'n rhoi llais i ddefnyddwyr dŵr

## **Operational Business Plan 2020-21**

Securing a safe, reliable service and  
a fair deal for water consumers

# Contents

	Page
<b>1. <u>Who we are</u></b>	<b>3</b>
<b>2. <u>Delivering our strategic ambitions for 2020-21</u></b>	
2.1 <a href="#"><u>Fair charges that everyone can afford</u></a>	4
2.2 <a href="#"><u>Outstanding services that are always delivered right first time</u></a>	5
2.3 <a href="#"><u>A safe, reliable service now and for the future</u></a>	6
<b>3 <u>Our other consumer-related activity that ensures we deliver for consumers and meet our statutory obligations</u></b>	<b>8</b>
<b>4. <u>Making sure our support services are effective and value for money</u></b>	
4.1 <a href="#"><u>Our corporate targets</u></a>	10
4.2 <a href="#"><u>Our resources</u></a>	11
<b>5. <u>Risk factors and alternative scenarios</u></b>	<b>12</b>

# 1. Who we are

CCW is the independent voice for water consumers and we campaign on behalf of household and business consumers in England and Wales.

We use a combination of our consumer research<sup>1</sup>, reports, company performance information and complaints data to hold the water industry to account, seeking to improve the deal that water consumers get.

This year, we are changing how we hold water companies and retailers to account. The change will mean that we raise the profile of issues that are not being tackled, or new, serious issues, to more senior staff, and will use more frequent publicity to highlight poor performing companies.

Our mission and strategic ambitions are outlined in our three year Forward Work Programme [here](#).

This Operational Business Plan focuses on 2020-21 and the campaigns we will carry out to deliver our strategic ambitions.

Our values define what we stand for as an organisation, and are there to guide us in our day-to-day work and decisions. You can find out more about them [here](#).

For information on what we cost water customers, please see our 2020-23 [Forward Work Programme](#).

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<sup>1</sup> Review our research plans in our [Forward Work Programme 2020-23](#).

## 2. Delivering our strategic ambitions during 2020-21

### 2.1 Fair charges that everyone can afford

#### 2020-21 Campaign: Improve water regulation for consumers

##### Campaign aims:

- Improving how the price review works for consumers, involving a lessons learned review, improving how incentives work for consumers and involving consumers in price setting.

##### Activities: What we will do to deliver this campaign:

- We will assess how well the 2019 Price Review (PR19) delivered for water consumers by looking at a range of factors including price, performance commitments, investment, incentives and how evidence from consumers was used to inform decisions. To inform this process we have commissioned new CCW research on how consumers wish to be engaged, as well as understanding the needs of consumers in the company business plan process. We will publicise this assessment in a 'lessons learned' report, and will use this assessment to tell stakeholders such as the Welsh Government (WG), Ofwat and the Environment Agency (EA) what we think could be improved for future price reviews.
- We will contribute to WG's review of what type of regulatory framework is best suited to Wales, and WG and Defra's strategic position statements, which inform the future direction for Ofwat.

##### Measures to assess the campaign's success:

- Early input of our 'lessons learned' recommendations to Ofwat and other stakeholders in preparation for PR24.
- Governments' regulatory reviews and position statements reflect CCW recommendations and consumer views.

#### 2020-21 Campaign: Create excellent, accessible and affordable services for all

##### Campaign aims:

- Improving poorly performing water companies by sharing good practice on affordability and vulnerability (including temporary vulnerability).
- Influencing social tariff guidance development.
- Improving the Guaranteed Standards Scheme (GSS) by calling for a comprehensive review.
- Reviewing companies' overall debt recovery processes.

##### Activities: What we will do to deliver this campaign:

- Contribute expert opinions to Defra and Welsh Government reviews on social tariff guidance.
- Continue to call for a wider review of GSS regulations.
- Publicise our review of water companies' affordability and vulnerability initiatives from the 2019 Price Review to identify good ideas and influence the development of the next price review.
- Publicly praise water companies who demonstrate good practice on affordability and vulnerability - including temporary vulnerability - and hold to account those who need to do more for consumers.
- Share expertise through our 'Water for All' report and our Affordability and Vulnerability Workshop.
- Influence companies to contribute their own money to social tariffs.
- Investigate companies' approaches on debt recovery and highlight areas for improvement.

## Measures to assess the campaign's success:

- Poor performing companies improve their offering to consumers struggling to pay, or in other vulnerable circumstances, by increasing the numbers of consumers they have helped financially. They can either do this as a step towards meeting their Price Review commitments, or by proposing to help in situations such as an unplanned water supply interruption.
- More companies contribute their own money to social tariffs.
- The issue of temporary vulnerability is addressed during company emergency events and external communications work.
- Decisions and guidance by Defra and Welsh Government reflect our positions.
- There is a reduction in the level of bills left unpaid as companies improve their approaches to debt recovery.

## 2.2 Outstanding services that are always delivered right first time

### 2020-21 Campaign: Get the basics right for water consumers

#### Campaign aims:

- Improve water company performance by repeatedly publicising poor performing companies and retailers on key consumer issues, including complaints levels, leakage rates, water supply interruptions and sewer flooding. We'll do this by publishing performance information, such as our new Water Mark<sup>2</sup> report.
- Work with the industry and Ofwat to improve the complaints process for consumers.
- Fix the root causes of billing complaints, including when consumers repeatedly have problems.
- Speed up performance improvements to the business customer retail market in England.
- Ensuring lessons have been learned from major water incidents.

#### Activities: What we will do to deliver this campaign:

- Share good practice and customer service innovations through publications, such as the new Water Mark report.
- Publicise the best and worst water company and retailer/wholesaler performers and highlight where there is a significant cross-industry issue; or consumer detriment, through our household and business customer complaints reports.
- Get companies and retailers to consider the root causes of complaints and act to reduce them. Specifically, we want to see a reduction in the number of billing complaints. We will report quarterly on poor performing companies and retailers.
- Keep water company responses to major incidents under review and share lessons learned.

#### Business customers and other non-household customers

- Where monitoring of the market reveals consumer detriment caused by regulation, governance or design of the market, we will recommend changes to resolve customer issues.
- Publicise our 'Testing the Waters' perceptions research on business customers' experiences in England and Wales and identify areas of consumer detriment.
- Contribute to the development of any necessary messaging to business customers in Wales regarding changes to the market conditions (eligibility to swap).
- Contribute to Welsh Government's ongoing monitoring of the market and the development of messaging to business customers.

#### Household

- New work with Ofwat and the industry to improve the consumer complaint journey with water companies and improve timely complaint resolution.

<sup>2</sup> Water Mark will compare company performance over a number of metrics, such as consumer satisfaction with service.

- Conduct new research to better understand consumers' needs and expectations and tailor our consumer journey accordingly.
- Publish our assessments of water companies' household complaint and debt practices.
- Influence how water companies' innovation delivers for consumers.

### Measures to assess the campaign's success:

- The poorest performing companies have improved across key consumer metrics included in our publications such as Water Mark.
- The household consumer complaint process is improved.
- Business and household complaints to CCW fall, especially in the areas of disputed bills and debt.
- No complaints resulting from the expected market changes for business customers in Wales.
- Ofwat and/or the Market Operator are addressing major issues with the regulation of the business customer retail market in England identified by us as affecting consumers.
- After major incidents, all consumers (including those in vulnerable circumstances), report they got the help they needed, when they needed it.

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

We aim to consistently maintain and improve our good standards of complaint handling, regardless of the new and varied complaints we receive. We set ourselves challenging targets for case acknowledgement, resolution times and customer satisfaction, which we aim to meet year-on-year. We've found this more challenging in recent years due to the increase in complaints we have received from business customers since the retail market opened. These performance standards and consumer satisfaction targets are reviewed annually.

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>• Achieve a minimum of 75% of consumers satisfied with the quality of our complaint handling service.</li> <li>• Achieve a minimum of 61% of consumers satisfied with their complaint outcome.</li> <li>• Achieve a minimum of 80% of consumers satisfied with the speed of our service.</li> </ul>

## 2.3 A safe and reliable service now and for the future

### 2020-21 Campaign: Ensure water and sewerage services are fit for the future

#### Campaign aims:

- Challenge water companies to ensure performance commitments on resilience (including leakage) and the environment are on track so the system works now and is fit for the future.
- Increasing the involvement of CCW and consumers in regional water resource planning in England.
- Challenge the effectiveness of companies' climate change adaptation plans from a consumer perspective.
- Encourage the development of a drainage system that is fit for future needs.
- Promote the value of water and in doing so, encourage consumers to use their water and sewerage services responsibly.

## **Activities: What we will do to deliver this campaign:**

- New work to gather information from companies to investigate the scale of household and business consumers who are 'worst served' by their companies.
- Press all companies to use their climate change adaptation plans as an opportunity to raise consumer awareness of the challenges faced and the plans to address these.
- Actively engage in the sewerage companies development of Drainage and Wastewater Management Plans.
- Work with partners/stakeholders to use all suitable channels to inform and encourage consumers and businesses to value their water services and use them responsibly. This will focus on water efficiency and sewer misuse and use our new research community to gain consumer perspectives.
- Conducting new consumer research to assess their views on the water environment and their expectations of how water companies should manage their operations and tackle environmental challenges, both now and in the longer-term.

## **Measures to assess the campaign's success:**

- Worst -served household and business consumers are identified.
- Assess whether our contribution to discussions on climate change adaptation plans are influential and are being taken on board by the companies.
- Assess whether consumers' views and priorities are accounted for in the Drainage and Wastewater Management Plans.
- Consistent messaging on water efficiency and behavioural change and coordinated campaigns with other stakeholders in England and Wales.

### 3. Our other consumer activities to ensure we deliver for water consumers and meet our statutory obligations

Much of our campaign work ensures we will deliver on our statutory responsibilities, including helping disadvantaged consumers and representing business customers who need help as they negotiate their way around the water retail market in England. Our legal duties are set out [here](#). We consider these as our 'business as usual'. This includes our daily activities, such as helping household and business consumers with their enquiries and complaints, as well as time-limited activities, such as representing consumers during discussions on lead in water in Wales. Further examples of this work is outlined below.

#### **We are required to keep information about consumer matters under review. Our 'business as usual' activity means we will:**

##### **External Communications work**

- Campaign to raise the profile of consumer issues, such as affordability; options to cut bills; using water wisely; refill scheme; fats, oils and grease disposal; scams and the Priority Services Register (PSR)<sup>3</sup>.

##### **Business customers**

- Help micro, small and medium-sized businesses think about water efficiency through our partnership links.
- Hold two business customer forums per year to hear about the issues they face.

##### **Holding companies to account**

- Work locally with each water company to monitor (and publicise where needed), how it is delivering on its performance commitments, using insights from our 'Water, Water, Everywhere', Water for All', and Water Mark publications, and addressing consumer perspectives from our Water Matters research.
- Publish information on company financial performance.
- In Wales, monitor Hafren Dyfrdwy and Welsh Water's implementation of the Wales-specific legal requirements for landlords to register details of their tenants liable for water and sewerage bills and debt.

##### **Reliable services**

- Influencing policy development through membership of high-level, sector-wide groups including - National Framework Senior Steering Group, National Drought Group, Water Efficiency roundtable groups in England and Wales, and Water Leaders Group, Misuse Group of the 21<sup>st</sup> Century Drainage Board. Being actively engaged in the Regional Water Resources Planning Groups.
- Represent consumers if a Government proposes to change its metering policy.
- Advise governments on consumer perspectives on transferring responsibility for customer-owned water supply pipes to water companies; either because of customer side leakage, or stricter lead standards.

##### **Working with stakeholders**

- In Wales, contribute to the review of the Water Strategy for Wales scheduled for 2020/21.
- In Wales, participate in discussions and groups regarding full implementation of the Wales Act provisions by 2022 (which includes the devolution of water sector regulation according to administrative boundaries).
- Sharing our expertise on complaint handling, working with the industry's Water Redress Scheme (WATRS) to ensure there is progress in delivering a consumer-friendly process.

<sup>3</sup> Each company runs a PSR, which allows consumers to register issues such as being unable to collect bottled water during a water interruption or the need for braille services

**Affordability and vulnerability**

- Use our authority to secure the effective implementation and use of data sharing (Digital Economy Act) by Government agencies and companies.
- Update our affordability tools and guide, and update our vulnerability guide.

**Fair charges and value for money**

- Pressure companies to improve customers' perceptions of fairness of bills and value for money, because of the impact these factors have on consumers' views of how much they trust their water company.
- Represent consumers at Competitions and Markets Authority (CMA) inquiries, where four water companies (Yorkshire Water, Bristol Water, Anglian Water and Northumbrian Water) have appealed against Ofwat's final 2019 price review determination.
- Investigate companies' charges schemes and question those companies that are out of line with good practice.

**Welsh language obligations**

- Review and improve CCW's online content in Welsh in line with CCW's statutory Welsh language obligations.
- Review CCW's Welsh language scheme or adapt to the full enactment of the Welsh language measure.

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

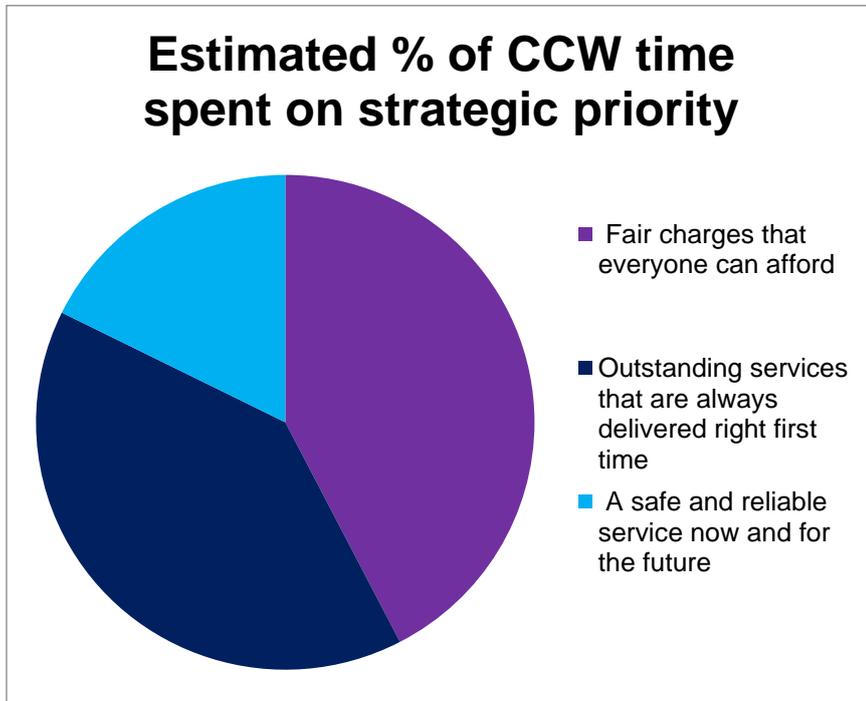
### 4.1. Our corporate targets

What we will do	Outcomes
<b>Safe and secure environment for CCW staff to work in.</b>	Have no occurrences of avoidable reportable workplace incidents as per Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
<b>Effective Human Resources support</b>	Short and long-term sickness levels are managed below those of the public sector (8.4 days – based on figures from Chartered Institute of Personnel and Development, 2019).
	More than 67% of staff are satisfied with the amount of training they received (as measured by our 2019 internal staff survey).
<b>Efficient and appropriate processes that support CCW, which are shown through good governance, internal and external auditing.</b>	Internal auditors confirm CCW has an adequate and effective framework for risk management, governance and internal control. External audit identifies no areas of concern, leading to the accounts being 'qualified'.
<b>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.
	100% of all undisputed and valid invoices to be paid within 30 days.
<b>Effective management of data.</b>	All Freedom of Information Act requests and Subject Access Requests (SARs) are responded to within the statutory timescales to ensure we meet requirements such as the General Data Protection Regulations.
	All staff receive annual training/updates on their individual and organisational responsibilities.
<b>Availability of information on CCW's new contracts, payments to suppliers and Board members' expenses.</b>	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.
<b>Provide opportunities to come along to meetings in public across England and Wales.</b>	All meetings in public are advertised on our website, including agendas and available papers, seven working days in advance.
<b>Ensure adequate and proportionate compliance with our statutory Welsh Language obligations</b>	<ul style="list-style-type: none"> <li>• All requests to communicate in Welsh (including for complaints) are accurately registered on our Welsh language register.</li> <li>• All recruitment in Wales is delivered in line with our statutory obligations.</li> <li>• All public meeting notices, press releases and publications providing information which could assist the wider public are issued bilingually.</li> </ul>

- We review and improve CCW's online content and messaging in Welsh.
- We will continue to report annually to the Welsh language regulator.

## 4.2. Our resources

The chart below shows an estimate of how our resources will be split between our strategic ambitions.



We manage the organisation with a headcount of 78 and full time equivalent staff of 76. We retain a strong regional and Wales focus through our Local Consumers Advocates (LCAs), consumer relations and policy staff working with the companies at a local level on the issues that matter to consumers. The '[About Us](#)' section on our website gives more information about our approach to governance and transparency. Our organisation's structure is set out on our website [here](#).

## 5 Risk factors and alternative scenarios

In accordance with the current Framework Agreement between CCW, Defra and the Welsh Government, we have outlined how we have considered risk and alternative scenarios as we developed our Operational Business Plan.

### Main risk factors that could affect the achievement of this plan

The main risk factors are:

- New government priorities.
- Other bodies claim to be the voice of the water consumer.
- New company/retailer procedures or a major event cause unprecedented consumer complaints to CCW and reduce our performance.
- CCW takes on too many projects and is unable to deliver the Forward Work Programme or the Operational Business Plan.

### Alternative scenarios

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

We have built flexibility into the OBP, but if there was a major new government or regulatory 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.

### Organisational changes

During 2020-21, we will have a new Chief Executive Officer.

Subject to consultation, we will be reducing the committees in England to two. We will also be making changes to our Board structure to improve governance and oversight by increasing the number of independent non-executive Board members, and removing the regional Chairs in the English regions.



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