

**Yorkshire Forum for Water Customers  
Minutes of Meeting  
18 April 2023  
Microsoft Teams Meeting**

**Attendees:**

|                  |                            |
|------------------|----------------------------|
| Andrea Cook      | Chair                      |
| Chris Griffin    | Independent Member         |
| Dave Merrett     | Independent Member         |
| Jamie Ashton     | Citizens Advice            |
| Kursh Siddique   | Independent Member         |
| Melissa Lockwood | Environment Agency         |
| Steve Grebby     | Consumer Council for Water |
| Tom Keatley      | Natural England            |

**Apologies:**

|                   |                            |
|-------------------|----------------------------|
| Chris Offer       | Yorkshire Water            |
| James Copeland    | National Farmers Union     |
| Janine Shackleton | Consumer Council for Water |

**Guests:**

|                 |                 |
|-----------------|-----------------|
| Oliver Spoor    | Yorkshire Water |
| Paul Chapman    | Yorkshire Water |
| Richard Hepburn | Yorkshire Water |

## 1. Update on Minutes and Actions

- a) The Forum has selected a report writer. The Forum believe that the selected person has the right experience and integrity to undertake the role.
- b) The report writer is a recent employee of the Company. The Forum discussed the criticality of independence for the report. The Forum agreed that a writer with an understanding of the industry was critical, and expressed confidence in the character of the writer, and the oversight of the Forum, to overcome the potential conflict.
- c) The Company recognises the need for additional resource to support the Forum. Therefore, the Company have recruited external support to undertake the project management and administrative activities associated with running the Forum.
- d) The Company are working to reduce the backlog of outstanding minutes.
- e) The Company want to get back to a monthly cycle of writing and reviewing minutes, and then having them approved by the Forum at the next meeting.
- f) The status of the outstanding minutes are as follows:
  - i. Minutes from six previous meetings held in 2022 have been drafted and approved by The Forum Vice-Chair. These sets of minutes now require approval by Forum members.
  - ii. Minutes from two previous meetings held in 2022 have been drafted and need to be sent to The Forum Vice-Chair for comment.
  - iii. Minutes from four previous meetings held in 2023 (including this meeting) are yet to be drafted.
- g) The actions will be incorporated within each set of minutes.

**Action:** May 2023 meeting to be rescheduled.

**Action:** Feedback from Forum Members on the six sets of minutes from 2022 to be sent to the new Forum project manager.

**Action:** The Company to complete the remaining set of minutes (two from 2022 and four from 2023) and meeting recordings (where possible) and share with The Forum Vice-Chair.

- h) The Forum Chair expressed great appreciation for the contributions of the Vice-Chair and the Company Lead during her ongoing visual issues.
- i) Actions from previous meetings were reviewed. Discussed were:
  - i. Action Ref: 03.23.A03: The Forum discussed getting the two subgroups up and running again. The Forum Chair stated that the Environmental subgroup was previously a strong part of their work, and the lack of this subgroup was a great loss.
  - ii. Action Ref: 03.23.A04: The Forum are now limited by the time they have left. To use their time and focus effectively, prioritisation of elements of the plan is needed. A Forum member asked the Company to advise on

what remaining opportunities there were to see and influence the Company's proposals for meeting the emerging WINEP requirements.

**Action:** The Forum to provide feedback on the business plan tracker.

**Action:** The Forum to provide feedback on WINEP paper.

## **2. Business Plan Review**

- a) The Company presented the first iteration of the PR24 Business Plan.
- b) The presentation is an internal slide deck that was presented to the Company's PR24 Steering Group.
- c) The Company recognised that there was a lot more work to be done, particularly around their investment plan and forecast performance commitment position (AMP7 into AMP8, and to the end of the AMP8 period).
- d) The Company presented their proposed a TOTEX amount (in £bn) and the associated percentage increase in average bills. The company stated that these are draft figures and may change.
- e) The Company presented a summary dashboard of quantitative metrics for the investment plan and performance commitments.
- f) The dashboard showed elements and their associated metrics. The six elements are: TOTEX package, agreed service levels and delivery risk, company level risk and return policy, company financeability position, average bill impacts, and customer and stakeholder acceptability.
- g) Across the six elements are 17 metrics. The elements and metric have a RAG (red, amber, green) status indicating how on target Company believe they are on each.
- h) The Company outlined two business plan scenarios – their proposed TOTEX and as a comparison, a higher cost option that includes additional choices of enhancement expenditure.
- i) They showed what the proposed TOTEX investment amount is the sum of the Company's costs of running the business (which remained the same in both scenarios) and enhancement costs.
  - i. The Company noted that the cost of running the business is forecast to be higher than what is included in the TOTEX figure. This discrepancy introduces risk to the deliverability of the programme.
- j) A Forum member asked whether the average increase in customer bills differed between the two scenarios. The Company showed that the increased enhancement expenditure was associated with a very significant increase in average customer bills.
- k) The Company stated that impact on average customer bills is one of the key metrics informing the plan. The Company said that the plan has to be credible, deliverable, financeable, and affordable to customers.
- l) The Company also presented:

- i. A list of additional enhancement choices identified by subject matter experts.
  - ii. Early start requirements, which defines expenditure in the AMP7 period to meet early AMP8 regulatory dates.
  - iii. Accelerated investment proposals, where DEFRA requested submission of schemes for accelerated expenditure. The two schemes recently approved by Ofwat are Ilkley bathing water and coastal bathing water.
- m) Several Forum members commented at the high investment cost of Ilkley bathing water scheme. The Company agreed.
- n) A Forum member suggested the Company be transparent on the cost to customers to invest in Ilkley bathing water and the small number of people who will benefit from the scheme.
- o) A Forum member pointed out that because Ilkley is the first river bathing site in England, the overall cost needs to be highlighted (e.g., on the Company's website). The Forum member stated that customers around the country need to know the investment needed to support river bathing schemes. The Company noted this point.
- p) A Forum member advocated care on judging the issue, noting the previous strong public support for cleaning up Yorkshire's beaches in the Company's earlier days.
- q) A Forum member asked whether the cost of the Ilkley scheme covered any other objectives e.g., cleaning up rivers and river quality. Another Forum member replied that because the Ilkley scheme is in a river, everything upstream has an impact on that spot in the river. Therefore, the cost of the scheme includes how water quality is improved from the headwaters, past sewage treatment works on the river before the water gets to Ilkley. Therefore, the scheme is largely about river water quality, and getting the water quality to a good or excellent bathing water standard. Also, because this scheme has not been done on a river before, there are many unknowns.

**Action:** The Forum requested clarity on how confident The Company are on what Ilkley will deliver, including ongoing cost and cost to customers.

**Action:** The Forum to consider raising concerns about Ilkley being a precedent and that there is transparency to customers around cost.

**Action:** Forum to consider raising the impact of statutory enhancement expenditure crowding out choices expenditure and impact on customers.

### 3. Critical Path Update

- a) Due to technical issues, the Company was unable to give an update on the critical path. The Company requested to send the update via email, which the Forum Chair accepted.

**Action:** The Company to provide critical path update via email.

#### **4. Your Water Your Say**

- a) The Company gave an update on the Your Water Your Say (YWYS) event.
- b) Timescales for the planning stages of the event were outlined, alongside support activities for the Forum.
- c) The Company will start promoting the event next week and The Forum's support in promotion was requested.
- d) The YWYS website is now live, and the link will be circulated. The website includes information on the event, an outline agenda, and a link to register for the event.
- e) A Forum member raised concern at the length of the sessions, stating that they have seen greater use of videos and commentaries rather than talking and slides elsewhere.
- f) The Forum Chair asked whether the Company had been reading responses from water companies who have already held their YWYS sessions. The Company responded that they had. Observations from both the Forum Chair and the Company were:
  - i. The sessions have been facilitated well, with exploration of where company priorities and attendees' priorities differ.
  - ii. That there has been a range in terms of session lengths and times of day. The Company stated their early evening session time was to try and attract as many customers and stakeholders as possible. The Company will catch up with other water companies to see if time of day made a difference to number and mix of attendees.
- g) The Company shared an example of their promotional materials for social media.
- h) To reach 'digitally disengaged' customers, the Company have brought in an external contractor with considerable experience in stakeholder engagement and targeting hard-to-reach audiences. The contractor will attend the next Forum meeting.

#### **5. Research Programme Update**

- a) The Company shared the time schedule for affordability and acceptability testing.
- b) Both The Company and the Forum Chair thanked Forum Members for their valuable input into discussion guide for the affordability and acceptability qualitative testing.
- c) The Company gave an update progress of the qualitative testing. Research stimuli for the focus group and depth interviews are currently being collated. They will be circulated to The Forum for comment in the next week or two.
- d) Cognitive testing will be undertaken starting the w/c 1 May.

e) A Forum member observed that cognitive tests would help demonstrate understanding, but not whether there was enough time to comment.

## 6. AOB

a) A Forum Member requested a 13:30 meeting start time for all future meetings. There were no objections to this request.

**Action:** Move Forum meetings to 13.30 rather than 13.00 start.

## Next meeting

15 May 2023 via Microsoft Teams

## Actions

### February 2023

| No. | Action  | Status      |
|-----|---|-------------|
| 3   | Future agenda items requested - Bill Impacts, WINEP, "flexibility to factor sub-group issues into critical path", WACC, implications of DWMP and WRMP - e.g., cost efficiency, cost implications, DWI submission/implications, Bespoke PCs, plan review | Open        |
| 6   | LTDS - further engagement with forum in April/May with consideration of an additional meeting on LTDS scenarios   | In progress |
| 10  | Forum terms of reference - consideration of flexibility around implementation of 9-year terms including issue with statutory members  | Open        |

### March 2023

| No. | Action  | Status |
|-----|---|--------|
| 5   | DWI submissions to be circulated to Forum members | Open   |

### April 2023

| No. | Action                              | Status |
|-----|-------------------------------------|--------|
| 1   | May 2023 meeting to be rescheduled. | Open   |

| No. | Action   | Status |
|-----|--|--------|
| 2   | Feedback from Forum Members on the six sets of minutes from 2022 to be sent to the new Forum project manager.  | Open   |
| 3   | The Company to complete the remaining set of minutes (two from 2022 and four from 2022) and meeting recordings (where possible) and share with The Forum Vice-Chair. | Open   |
| 4   | The Forum to provide feedback on the business plan tracker.  | Open   |
| 5   | The Forum to provide feedback on WINEP paper.  | Open   |
| 6   | The Forum requested clarity on how confident The Company are on what Ilkley will deliver, including ongoing cost and cost to customers.                              | Open   |
| 7   | Forum Chair and Vice-Chair to meet with the new Forum project manager  | Open   |
| 8   | The Company to provide critical path update via email.   | Open   |
| 9   | In their report, The Forum to consider raising concerns about Ilkley being a precedent and that there is transparency to customers around cost.                      | Open   |
| 10  | In their report, The Forum to consider raising the impact of statutory enhancement expenditure crowding out choices' expenditure and impact on customers.            | Open   |
| 11  | Move Forum meetings to 13.30 rather than 13.00 start.  | Open   |