

2022 – 2023

Yorkshire Forum for Water Customers

A statement from the Yorkshire
Forum for Water Customers on
Yorkshire Water's performance



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About us

We, the Yorkshire Forum for Water Customers, were set up in 2012. We are made up of key groups and independent members in Yorkshire who together represent Yorkshire Water's customers.

We make sure that Yorkshire Water fully consult you, to learn your views and priorities and deliver the services you want. We meet regularly to monitor Yorkshire Water's performance against the commitments the company made to customers (performance commitments) for 2020 to 2025 and make sure they involve us.

We play a vital role in helping Ofwat (the industry regulator) monitor Yorkshire Water's business plans, and are responsible for:

- challenging how well the company involve customers;
- challenging how the company's business plans reflect your views and priorities;
- monitoring the company's progress against their performance commitments; and
- providing an independent evaluation of how well customers' priorities are reflected in the company's business plans.

For more information about us and our terms of reference, or to see the minutes from our meetings, please visit:

yorkshirewater.com/about-us/yorkshire-forum-for-water-customers

Membership

Our Forum is made up of a number of customer and stakeholder representatives and independently chaired by Andrea Cook OBE. Information about all of our members is set out below.

Andrea Cook OBE

Independent Chair

Andrea is a consumer and regulatory specialist with a successful track record in the energy, financial, legal and water sectors and particular expertise in complaint handling. She has substantial experience of chairing boards and senior-level working groups and as a non-executive director. She also has significant knowledge of stakeholder engagement and a commitment to principles of independence, fairness, proportionality, diversity and transparency. She has excellent judgement and analytical skills, the ability to assess complex material, and experience in producing high-quality reports aimed at customers. Andrea is also the Independent Complaints' Reviewer for HM Land Registry.

Chris Griffin

Independent Member

Chris has worked throughout the charitable and voluntary sectors in Yorkshire and the East Midlands as a welfare benefits specialist and Operations Manager at Citizens Advice. Chris sits on the Forum as an independent member, with a particular interest in affordability and vulnerability. He is the Forum's Deputy Chair.

Chris has more than 10 years' experience of welfare benefits policy, working to tackle poverty and discrimination.

Tom Keatley

Senior Adviser, Water and Land Use Natural England

Natural England is the Government's adviser for the natural environment in England, helping to protect England's nature and landscapes for people to enjoy. It is sponsored by the Department for Environment, Food and Rural Affairs (Defra) and is responsible for making sure that England's natural environment – including its land, plants and animals, freshwater and marine environments, geology and soils – are protected and improved.

Tom's role covers the Yorkshire area, with lead responsibility for Ofwat's price review. He has a long-established overview of Natural England's work which dates back over 15 years. He has helped promote the environmental benefits and public value of ecosystem services, which aim to provide positive and affordable outcomes to society. Tom is a member of the Chartered Institute of Ecology and Environmental Management and a chartered environmentalist.

He aims to create and strengthen relationships between Natural England and our members to see how best we can contribute to the natural environment while meeting the needs of customers.

Dave Merrett

Independent Member

Dave acts as an independent member of the Forum, on which he previously represented local authorities in Yorkshire (2012 to 2015).

Professionally, he is a chartered civil engineer and member of the Institution of Civil Engineers. He is currently employed part-time by Amey Consulting and Rail as a principal engineer, working on Network Rail's 2014-2019 London North Eastern and East Midlands Bridge Assessment contract. Dave's civil-engineering background gives him the experience to help examine our significant capital-investment programme. He also has considerable knowledge of transport, planning, environment and sustainability, flooding, policing, health and children's services and local government issues generally.

He previously had senior roles at York City Council and its successor (City of York Council), on which he served from 1982 to 2015. Dave also served at different times on the Yorkshire and Humber Regional Assembly, the Local Government Association (he was Deputy Chair of the Environment and Regeneration Board) and Yorkshire Regional Flood and Coastal Committee, with obvious links to water industry issues. He also brings experience of knocking on people's doors, listening to their concerns and problems – the pressures on their budgets, concerns about the risk of flooding, the environment – and has experience of working with disadvantaged Communities.

James Copeland

National Farmers Union

The NFU is the only organisation that supports all farmers and growers in England and Wales. They are here to give you a voice and protect your way of life now and in the future. Their purpose is to support British agriculture and horticulture, to campaign for a stable and sustainable future for British farmers and to get the best possible deal for their members. Their strength is in their numbers. With more than 55,000 members, they are heard when it counts – locally, nationally and internationally. Every single member matters and makes the NFU stronger. A stronger NFU can be more influential, achieve more and have a more powerful and unified voice. Today, the NFU is the most successful representative of agriculture and horticulture, with members coming from two-thirds of the agricultural land in England and Wales.

James is the Environment and Land Use Adviser for the NFU in the North East region (Yorkshire, County Durham and Northumberland). The role includes taking an overview on matters relating to managing land and the environment, including the availability and quality of water, flood risk, land use, environmental schemes, planning, infrastructure, waste, climate change and adaptation.

He works closely with (to name but a few) the Defra family (Natural England, the Environment Agency, Marine Management Organisation and the Forestry Commission), local authorities, commercial companies, parks, environment, non-government organisations and catchment partnerships (groups that work with key stakeholders to agree and deliver the objectives for the catchment area and to support the Environment Agency to develop an appropriate river-basin management plan, which is needed under the Water Framework Directive). He is passionate that agricultural businesses are given the opportunity to develop and that the NFU pushes for a landscape that allows this to happen, making sure that policy is rooted in the real world.

Steve Grebby

Policy Manager, Consumer Council for Water (CCW)

CCW is the independent organisation representing household and business customers across England and Wales. It was set up in 2005 to represent customers, including making sure their interests are at the heart of decision-making in the water industry.

It works with customers to listen to their views, answer their questions and sort out their complaints about water companies.

CCW uses evidence from customer research, information from water companies, comparisons with other water companies, complaints and information on company performance, as well as feedback from household and business customers, to guide its work on behalf of all water customers. Its duty to vulnerable customers and the need for sustainable development (balancing economic, environmental and social responsibilities) supports all its activities. As well as its formal duties, it focuses on getting the balance right in the long term on affordability and making sure future water supplies and sewerage services are reliable and delivered to a high level of service. There is a balance to be struck between the cost of bills now and the cost of bills for future generations.

Steve began his career in the water industry in the early 1990s with the original consumer representative, Ofwat's Thames Customer Service Committee.

Steve has over 30 years' experience of speaking up for water customers through his work with water and sewerage companies across England and Wales.

He has worked on a wide range of consumer issues and now leads CCW's national work on all wastewater issues, including sewer flooding, storm overflows, drainage misconnections and misuse of sewers. He challenges companies' services from the customer's point of view and encourages them to put the customer at the centre of their plans and decision-making.

Melissa Lockwood

The Environment Agency

The Environment Agency work to create better places for people and wildlife and to support sustainable development. They are one of the water companies' environmental regulators and one of the statutory members of all water companies' customer challenge groups (CCGs).

They use the opportunity of working with us to review and challenge Yorkshire Water's next five-year plan so that the company achieves the best possible outcomes for both customers and the environment. Melissa has more than 30 years' experience in the Environment Agency in a range of roles and is also a member of the Northumbrian Water Forum.

Jamie Ashton

Projects and Service Director, Citizens Advice Rotherham

Jamie is an independent member of the forum with seven years of senior and project management experience gained in the voluntary, community and private sectors. Jamie joined Citizens Advice in 2021, with a particular interest in affordability and vulnerability concerns. Jamie oversees projects specialising in welfare rights, energy and debt services.

Kursh Siddique

Independent Member

Kursh is CEO of BAME Voices, a social enterprise that works to help reduce health inequalities by working with national health research organisations, such as the NHS and National Institute for Health and Care Research(NIHR). He has over 15 years' experience of working in the voluntary sector and his organisation is a member of the Health & Wellbeing Board in Bradford. As a governor at the Bradford Teaching Hospitals NHS Foundation Trust he is responsible for holding the non-executive directors to account for their performance on the Board and making sure issues concerning his constituents are dealt with constructively.

Through BAME Voices, Kursh specialises in engaging marginalised communities and advises a number of national organisations on their engagement strategies. He has developed an ever-growing engagement network of over 15,000 people.

Statement from the Chair

We The Yorkshire Forum for Water Customers acts fully independently of Yorkshire Water. We challenge their activities through our members, who have skills and experience in customer relations, economics, local government, the environment, farming, regulation and working with vulnerable households. Our challenges and the minutes of meetings are published on our website.

We are a strong and independent voice and a supporter for water customers in the Yorkshire and Humberside region. This regional focus gives us a unique level of knowledge of Yorkshire Water. Our members come from Citizens Advice, Consumer Council for Water (CCW), the Environment Agency, the National Farmers Union and Natural England. We also have members who are independent experts on black and ethnic minority communities, the environment, local government, affordability and working with vulnerable households.

Our role is to understand the challenges Yorkshire Water face when providing services within the economic framework and regulations set by Ofwat. We comment on the company's business plans and express views about key policy and operational issues and priorities.

We look at Yorkshire Water's customer research and comment on research methods, sample sizes, discussion guides,

online questionnaires and presentation materials, and whether Yorkshire Water's plan properly reflects customer's views. The company are excellent at customer engagement and research. Both of these show that people are largely positive about the services they receive, with the main challenges being around pollution and storm overflows.

We also consider the challenges and priorities set by the Environment Agency and the Drinking Water Inspectorate.

Currently, we are in the middle of the 2024 price review for the 2025-2030 Business Plan. After plans are adopted, we review how Yorkshire Water deliver their plan and their performance.

Usually by this stage in the funding cycle we would be reviewing the company's progress against their 2020-2025 performance commitments (PCs). This would include proposing levels of rewards and penalties (for over and underperformance) for the next delivery period, and challenging the company to continue to deliver their business plans and the targets within them. We would also be advising and challenging the company on how to deal with the financial effects of meeting or not meeting their commitments, and reviewing their annual assessment of risks, strengths and weaknesses in reporting against each measure of success.

This has been an unusual period, as the normal timescales for our work have been influenced by significant changes in company staff and management, uncertainties about our future as Ofwat considered potential changes to customer challenge, and the outcome of Yorkshire Water's referral to the Competition and Markets Authority (CMA).

The CMA concluded that Yorkshire Water should still face a challenging set of performance targets, but it adjusted Ofwat's allowed rate of billing to reflect best regulatory practice, with a view to making sure there is continued investment in the sector. It also partly reduced the company's exposure to financial risk to achieve what it considers to be the right balance between allowing profit once service levels have been delivered and making sure the company can finance themselves and meet all of their legal duties.

We recognise that there is a need for a balance between lower bills and risk. We look at bill impacts across the range of Yorkshire Water's customers, including those least able to pay. We believe that Yorkshire Water recognise and act on their responsibilities towards customers experiencing financial difficulties and have a wide range of schemes that provide help, though customer awareness of them is too low. We expect Yorkshire Water to continue to identify, publicise and meet the needs of customers struggling to afford to pay their bills and we welcome the range of services that the company provide. We regret that there is no single, national social tariff.

The Forum has traditionally had two sub groups that focused in more depth on the Environment and on Affordability and Vulnerability issues, but due to all the changes mentioned earlier, Yorkshire Water have not been able to support them this year. The company have kept the main forum informed on environmental and social issues, although not in the same depth or always at the right times to influence input on those issues to the business plan – there is no substitute for full consultation.

At our main meetings, we have discussed:

- whether the company have met their performance commitments and how they present this information on their website;
- the level of pollution incidents, sewer discharges, and the linkages to extreme weather events;
- the effect of Covid-19 on customer behaviour and finances (including debt) as, for instance, more customers work from home;
- monitoring the Yorkshire Water land strategy (including reductions in carbon, gains in biodiversity and improvements in water quality); and
- the Working With Others Community Benefit Fund, which aims to support successful applicants.

During 2022-2023, Yorkshire Water's environmental performance was as follows.

- There were three serious pollution incidents (classed as amber, or mid-range). This was better than 2021, when there were five serious incidents (classed as red, or poor). The sector target is zero serious pollution incidents.
- There were 117 pollution incidents in total (classed as green). One more incident would push the company to amber. This is above the sector average.
- 77% of pollution incidents were self-reported (reported by the company). This, which is classed as amber, is below the sector average.
- The company's performance on pollution improved in 2022 (from 2021). However, it was a very dry year with very few thunderstorms, which often cause incidents in the summer. Their performance is still borderline and they need to do more to maintain it. The number of incidents they self-report is very low compared with the sector. Also, incidents need to be reported sooner, and this needs to continue to improve.
- There was one incident when the company did not keep to all the conditions of their discharge permit from the Environment Agency. This is above the sector average, represents good performance, and is an improvement on 2021 when there were three incidents.
- Performance related to delivering the Water Industry National Environment Programme (WINEP) programme is 100% (classed as green, or good). The company has a consistent and strong working relationship with the Environment Agency.

We also continue to monitor how Yorkshire Water are taking a more complete approach to tackling environmental challenges, including climate change, and using more economic and nature-based (rather than traditional chemical based) approaches.

As customers and environmentalists ourselves, we share the growing public concern over sewage being discharged into rivers and the sea. However, the reality is that current billing levels mean the substantial investment needed to end this cannot happen without other responsibilities being neglected. We are keen to understand the views of our fellow customers on the balance between protecting the environment and increased bills.

CCW hasn't yet published its Water Mark report for 2022-2023, although figures are emerging.

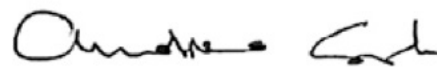
- In 2021-2022 Yorkshire Water were classed as red (poor) for complaints handling and leaks.
- They were:
 - below average for written complaints, internal and external flooding and supply interruptions;
 - above average for satisfaction with value for money and affordable bills; and
 - good for satisfaction with service (which contradicts the views of customers on complaints handling).

- By the fourth quarter of 2022-2023 the company had reduced their complaints per 10,000 connections from the previous year. But they are still one of the worst-performing companies in the industry. Complaints about bills continued to be classed as amber (mid-range). However, complaints to do with water and wastewater were firmly in the worst-performing quarter. There was a 43% increase in complaints about wastewater.
- The main reason for the increase in wastewater complaints is likely to be related to storm overflows and the discharge of sewage into rivers and the sea, the bulk of which is permitted by the Environment Agency, but where there is rising public concern, including Yorkshire Water's customers, about the practice.

Regarding Affordability and Vulnerability, this past year has continued to see the effect of the Covid-19 pandemic on people's finances. We are also starting to see more financial hardship due to rising costs of energy, fuel and food, which has taken more customers into a cost-of-living crisis.

It is vital that Yorkshire Water play their part in helping customers to be able to pay their water bills. They can do this by keeping bills affordable and price increases to a minimum, and by offering support for those who are struggling to pay their bills. In the past our Affordability and Vulnerability and Environmental subgroups have been our greatest strength. Unfortunately, these groups did not meet in 2022-2023 because there were no Yorkshire Water staff to service them following a large-scale voluntary redundancy programme.

We remain concerned about several aspects of Yorkshire Water's performance, in particular some measures which have continued to decline after failing to meet targets last year. We continue to engage and challenge Yorkshire Water on these, and support their efforts to improve them.



Andrea Cook OBE

Independent Chair

Yorkshire Forum for Water Customers

Thank you

For more information,
please contact
theforum@yorkshirewater.co.uk

