

Yorkshire Forum for Water Customers

Minutes of Meeting

13 December 2018

Doubletree by Hilton Leeds, Eigg and Coll meeting rooms

Attendees:

Andrea Cook	Chair
Andrew Roach	Yorkshire Water
Ben Roche	Yorkshire Water
Chris Griffin	Citizen's Advice
Dave Merrett	Independent Member
Granville Davies	Yorkshire Water
James Copeland	National Farmers Union
Janine Shackleton	Consumer Council for Water (CCW)
Melissa Lockwood	Environment Agency (EA)
Pam Warhurst	Pennine Prospects
Paul Fowler	Yorkshire Water
Sumayya Mahmood	Yorkshire Water
Tom Keatley	Natural England
Wendy Kimpton	Yorkshire Water (Head of Regulation)

Apologies:

Alistair Maltby	The Rivers Trust
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1) Welcome

- a) The Chair welcomed Forum members to the meeting.
- b) Apologies were received as above.

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2) Minutes/actions of last meeting

- a) The October minutes will be finalised via email correspondence.
- b) Two actions from the October meeting are ongoing and in hand, the rest of the actions have been completed.

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3) Draft Assurance Plan update

- a) The company referred to the last meeting with the Forum in October 2018 and the Forum's request for the company to work with the educational sector regarding the Draft Assurance Plan (DAP). The company announced it had agreed a partnership with Bradford University School of Management.
- b) The company will conduct further consultation in January 2019. The online community questionnaire is currently open and there will be a follow-up phase 2 in January focusing on the DAP summary, along with focus groups.

- c) In addition, the company announced it will work in partnership with Bradford University's School of Management to evaluate its plans and develop its consultation approach. The work will take place in three phases; phase one will deliver two focus groups with students and will look at the content of the DAP. The two groups will be slightly different to capture a range of feedback, one group will have an academic view of how the plan feels to students who will potentially become customers of the company, and the second group will be conducted with students from an international academic background. The second phase will reflect on the outputs of these groups and any feedback received or improvement opportunities which will contribute to the development of the plan. The company advised the final phase will focus on how it might improve its future consultation approach by using consumer preferences to engage and communicate with customers.
- d) The company highlighted its next steps after the consultation phase, which involves responding to feedback received, incorporating this feedback into the final version of the assurance plan, and publishing the final Assurance Plan at the end of March 2019.
- e) The company invited the Forum to the University focus groups and advised it will send dates out electronically.

Action 1: Company to send dates to the Forum for their potential attendance at the University focus groups

Action 2: Company to circulate slides about this agenda item

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4) Drought permit

- a) Yorkshire regional rainfall has been very low since April 2018, this has been coupled with periods of high demand, particularly in June 2018. For three months, from May to July 2018 the region saw the driest spell on record in 75 years.
- b) Regional reservoir stocks dropped for 4-5 months from May through to August 2018 and the region was officially in a drought situation. The company advised the Forum that a drought plan is in place including drought measures. The plan is still in draft and was submitted to the Department for Environment, Food and Rural Affairs (DEFRA) earlier in the year. The drought measures included in the plan are demand reduction (restrictions on use and enhanced leakage control), drought permits to increase supplies and the development of new infrastructure. The statutory process includes the Water Resources Act 1991.
- c) In May 2018 the company reduced the use of reservoir supplies and increased the use of river abstractions to meet demand. Late June 2018 the company started the implementation of their drought communications plan, from early July there was a risk of reservoir stocks reaching the 10 weeks from crossing the drought control line in August if the company were to see a repeat of the 1995/96 rainfall patterns for water. The modelling was repeated weekly to represent actual demand and rainfall experienced each week. The company has started environmental monitoring for drought permits.
- d) The company has been using the water supply grid for a significant amount of the year, maximising river abstraction and supporting areas in the Southern part of the region where the reservoirs were significantly lower in the year. The company advised it sent out pre-empted communication advising the water may taste different due to this. The Forum queried commercial customers, where the change in water supply taste may affect their product. The company reassured the Forum that it worked directly with large commercial customers with an acute dependency on the type of water they receive.

- e) During the period of high demand, the company undertook extensive customer communications, using its knowledge of segmentation to help target messages, for example messaging about using water wisely in the home in areas where it knows lots of families live, or using water wisely in the garden in areas where there are lots of big gardens. Communication channels included targeted social media, google display ads, radio ads (in multiple languages), use of electronic billboards in city centres, and TV & radio interviews with Yorkshire Water colleagues.
- f) Using its segmentation tool to assess levels of consumption, the company was able to link this to its own data around raw water levels and identify priority areas to target water saving messages.
- g) The company has proceeded with drought permits over the winter months, to ensure it is in a strong position from March 2019. The permits for the South are being reviewed by the Environment Agency (EA); the company advised it may not need to enforce these permits. The company has obtained two permits so far, these are for the River Wharfe and the River Derwent, with expected use through to March 2019. An application has been submitted to increase the amount of abstraction taken from the rivers.
- h) The company advised that stocks were now over the blue 'desirable' line. There had been a 26% recovery in stocks in the last 3 weeks.
- i) The company advised that after the drought it would conduct a comprehensive review and consider lessons learned. It plans to review its drought plan and the probable/possible revision to EA guidance. It advised the Forum that it may consider other changes to enhance resilience, such as licences, infrastructure and trading/interconnectivity in other areas.

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5) Upper Quartile (UQ) update

- a) The company began by providing an update on waste water networks. The aim of the update was to sight the Forum on the regulatory target and forecast performance for the key areas for which there has been increased investment. The UQ plan to meet targets, its current performance against target, events impacting current performance and plans for the next year.
- b) The forecast for pollution is adrift for the Performance Commitment (PC) for Cat 1 and Cat 2 incidents (7 reports against a target of 2). Cat 3 is under target for year 4, as is Internal Sewer Flooding (ISF), for which there is a positive picture. The Forum reinforced to the company that any challenges it had needed to be submitted as soon as possible for the EA to consider; this was noted by the company.

The level of performance improvement was displayed showing the significant reductions planned by the company. The Forum requested the confidence levels for the delivery of reductions and the targets proposed by the company. The company advised that for both pollution incidents and ISF there is a high amount of investment which will endeavour to get performance in the right place for year 1 of the next Asset Management Period (2020 to 2025). The Forum queried what the challenges are and when and where the customers will start to see an improvement in performance. The company advised it had been a slow start. The amount of investment in addressing pollution is lower than originally planned due to various internal challenges, such as the speed of procurement. The Forum queried when the company had become aware of this. The company responded by advising there have been a lot of little problems across various departments which had had a cumulative effect, and which the company had been slow to spot. This had resulted in the overall delay and was why the company was now undertaking a review.

The Forum advised it had confidence in the Regulatory staff alerting the Forum to such delays, particularly the Head of Regulation but it had concerns regarding wider company representatives bringing such information to the Forum's attention. The chair advised this needs to be emphasised within the company. This was noted.

The company was asked if it lacked resilience for such circumstance. IT said that IT did not think resources were the problem here. Dealing with PR19 and responding to the major weather issues had been a distraction.

The company continued by saying that once both plans for pollution and ISF were complete there would still be a gap between the forecast and the target; this risk analysis was being reviewed by the company and it would return to the Forum with the analysis. The Forum advised that the EA and the Consumer Council for Water (CCW) would need to be involved regarding their own assessments to provide a comprehensive review.

c) There are four key areas of the plan to meet the UQ target;

- Proactive Asset Improvement.
- Data and Visibility.
- Customer Engagement.
- People and Process.

Regarding proactive asset improvement there is an increased level of proactive 'fixes' on the network, proactive sewer refurbishment and cleansing of the sewer network and proactive mapping.

In terms of data and visibility the company currently has 1700 sewer network monitoring devices, and will install 8000 more, to monitor the levels of the network providing information when something has changed, enabling increased responses to an uplift in telemetry points. One reason for the delay in installation had been the time taken to determine the optimum locations in the network for the devices against costs.

The company advised that 88% of blockages in the network come from 'unsuitable' items, particularly 'wipes'. Its communications and engagement campaign aim to tackle blockages on the sewer network.

Areas of pollution and ISF see a high repeat rate - pollution can be as high as 20% and ISF can be as high as 40%. The company is doubling the size of the department and acquiring 147 new vehicles to create a single response service combining the previously separate initial jetting out, investigation and fix activities with a 2-hour response time and a 90% first-time fix rate target. It is also improving the pollution process and response to reduce repeat incidents.

The Forum asked about the timeframe for the plan. The company advised it may take up to 12 months, although some improvements will be seen much sooner.

d) The pollution programme focuses on resolution of root causes of pollution incidents by asset type. The programme is built on 7 key themes: there are 33 projects in progress of which 18 are in delivery, 12 are in the definition stage and 3 are on hold. One example has been the clearing of pumping station wet wells, which has already shown an improvement. The company advised the data analytics team are undertaking benefits realisation analysis.

The company plans to install 1000 pollution monitoring devices. To date 240 have been installed, and 750 should be in place by January.

The Forum asked for feedback from the EA regarding the company's current performance. The company advised the focus from the EA was regarding the Cat 1 and 2 incidents. Yorkshire Water said it did expect to see a reduction in the overall numbers; the EA was not as convinced and requested the updated figures by late December.

The Forum asked how the company was communicating with and obtaining feedback from customers regarding the pollution incidents. The company advised it has social media pages which are monitored, and it regularly liaises with local politicians. Around a quarter of incidents were reported by customers, but the company acknowledged its own previously good levels of self reporting had fallen, and it is taking steps to get it back to where it had been. In terms of customers more widely, proactive monitoring is being put in place via the Annual Performance Report (APR) and the Assurance Plan. The company emphasised that there is no lack of transparency. The Forum advised there is no concern regarding transparency, it is regarding how well sighted the company is and if it is alert at the earliest stages to enable the Forum to be kept informed and up to date.

The Forum enquired whether if telemetry monitoring is increased by the company, if there a higher risk of pollution incidents. The company advised it is aware this may happen, and it will continue to monitor this as the plan develops.

e) In terms of experience for customers, the uplift in the increase of colleagues and vehicles will be positive for customers, enabling the company to have a faster response and a positive step change.

f) The company concluded by advising that it is currently behind schedule, but the plan covers all the required areas, it just needs to ensure the plan is delivered successfully. From a service perspective, resource as well as telemetry is growing to ensure resilience.

g) The company proceeded to discuss its water update. In November the company, in conjunction with the Forum and the Board of Yorkshire Water, developed a plan to transform performance in 5 key areas of performance that matter the most to its customers. In clean water, customers wanted to focus on:

- Wasting less water by delivering a 40% reduction in leakage between 2018 and 2025 (aim to reduce by 25% by 2020)
- Delivering an industry frontier performance in interruptions to supply by 2025
- Using UQ funding to deliver the first two years of improvements
- Establishing targets and delivering improvements.

h) The glidepath to UQ performance for 2018-2020 was shown to members. Leakage (MLD) has an improvement plan of 276MLD in 2018/19, with a reduction plan of 206MLD in 2020/21. Supply interruptions (SI) is 6.16 minutes in 2018/19, with a reduction plan of 3.26 minutes in 2020/21.

The company discussed network optimisation, using the network to identify leaks and opportunities to improve the 'find and fix' and manage pressure whilst maintaining supply demand. Data improvement shows leakage can fluctuate without intervention from the company, the process needs revising and there is a large piece of work ongoing to understand the measures.

Regarding the company's response to SI, it had established increased 24/7 working to manage incidents and to meet the needs of customers by increasing resources. The company advised the Forum that it would have dedicated teams and it would send a continuous supply technician along with an engineer to minimise supply interruptions to customers.

i) Considerable activity has been underway throughout the year in line with the activity plan. The activity has delivered leakage benefits, stopping water being wasted. The company has completed the following to execute the plan:

- Increased the number of colleagues in the field who respond to direct leaks from c120 to 300.
- Increased productivity through improved coaching and performance management, the number of leaks detected is the highest to date (quadrupling).

- Invested in long term benefits by using new technology in acoustic loggers and satellite detection (the company advised the acoustic loggers) have so far displayed improvements and funding will be requested to procure more of these).
- Supported customers to prevent leaks by implementing its revised approach to repairing leaks on customers pipes.
- Increased expertise in network management by increasing its in house engineering capacity.
- Using innovation through things like the leakage data 'hackathon'.

The Forum queried communications to customers regarding leakage and work in communities. The company advised an average excavation for a leak in Bradford is 3 days, and the company advised of its plans to improve this. Road openings had doubled. The company also advised engagement is very good when a customer reports a leak, but the company needs to improve communications when it finds a leak and will do so with customers who are affected.

- j) Supply interruptions are on track in delivery of the plan. Activity has been increased to reduce the number of times a customer's supply is interrupted.

The company has so far completed the following:

- Delivered immediate improvement to increase its network technician resources by 20% and deliver enhanced training.
- Created a dedicated technician support role in its control room that is available 24 hours a day, 7 days a week to support field colleagues.
- As part of longer lasting improvements it has improved its network data for colleagues operating in the region.
- Prioritised 'Top 300' areas in Yorkshire where leaks have been detected (known as district management areas or DMAs).
- Dedicated 'Supply Restoration' Pilot
- Despite delivering the above, the company advised it is not on track to deliver its glidepath in relation to leakage and supply interruptions.

- k) A series of low probability, high impact weather events have occurred in 2018 which has impacted the company's performance:

- The year had started with the 'Beast from the East' and supersaturated soils.
- It had then been the second driest in the last 107 years, with soil moisture content still outside the 95% band in October.
- The impact in the Yorkshire region had extended beyond the rest of the UK.
- The long dry period had led to very dry ground; the company believes this has led to increased ground movement that has led to higher levels of leaks occurring.

The weather has had an impact on the water network, the company has observed the following:

- Sustained, increased demand for water for parts of the year.
- Unprecedented failure rate on the network which the company believes is caused by increased ground movement.
- Customers reporting significantly more issues than normal.
- The reactive pipe failures on the water distribution network are c50% higher than the 7-year average.

This has led to increased supply interruption incidents due to the number of bursts and increased leakage.

- l) The company advised that, despite the activity which has been put in place this year, all this had had an adverse impact on performance.

Leakage:

- UQ glidepath target of 276MLD will be missed this year and the company will need to recover next year.
- PR14 PC target of 292.1MLD is now at increased risk.

Water Supply Interruptions

- UQ glidepath target of 6.86 minutes will be missed and the company will need to recover next year.
- PR14 PC target of 12 minutes is still forecast to be achieved.

m) In summary, the company remains on track to deliver UQ plans and initiatives for 2018/19 but any failure to do so for leakage will be a key issue with Ofwat and with the EA. The weather conditions in 2018 have resulted in an unforeseen network performance, due to the impact the company's year one UQ glidepath targets will not be achieved, however, the company advised it believes its additional activity has benefitted customers by protecting them from further impacts caused by the weather events of this year.

The company concluded by reassuring the Forum that it is committed to driving the best possible performance and is focused on meeting its PR14 PC targets and to its long-term performance transformation.

Action 3: Company to consult the Forum on the risk analysis regarding pollution and ISF alongside the EA and CCW (in 3 months' time)

Action 4: Waste water slides to be circulated to the Forum and members to feedback any further queries

Action 5: Update to be provided to the Forum in 3 months' time regarding leakage and supply interruptions

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6) Review and agree 2019 meeting dates

a) 2019 meeting dates have been sent to members for consideration.

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No

7) AOB

a) No other business was discussed.

Next meeting date

23 January 2019, Livingstone House 4:1

Actions:

Summary of actions: 7th September 2017

No	Action	Comment
7	The Chair to review all previous minutes and add challenges to the challenge log	Ongoing

Summary of actions: 14th December 2017

No	Action	Comment
5	<p>Company to construct email to Ofwat regarding LORI</p> <p><u>Post meeting update – (05/04/2018)</u> Company have contacted the relevant department for an update</p> <p><u>Post meeting update – (01/08/2018, 23/10/2018, 02/11/2018, 26/11/2018)</u> Company have contacted the relevant department for an update, awaiting copy of the email sent to Ofwat in regard to LORI</p>	Ongoing

Summary of actions: 15 February 2018

No	Action	Comment
1	<p>Would the DWI champion a joined-up approach regarding phosphate dosing/lead removal. DWI to respond back to Forum.</p> <p><u>Post meeting update – (11/06/2018)</u> Company have contacted the DWI on two occasions for an update</p>	Ongoing

Summary of actions: 14 June 2018

No	Action	Comment
4	Company to project the level of investment and timescales to display how discolouration will be reviewed to help the Forum understand the plan and resources.	Ongoing
5	Company to share the notes from the workshop with the Forum.	Complete

Summary of actions and challenges: 16 July 2018

No	Action	Comment
2	Company response to Ofwat regarding the freeze/thaw report to be shared with Forum members (response due in September)	Complete

No	Challenge	Comment
1	Company to tackle making customers more aware of social issues	Noted

Summary of actions: 16 August 2018

No	Action	Comment
1	Company to circulate plan to Forum members	Complete
2	Company to share sharing mechanism document with the Forum	Complete
3	Environmental section of the report to be complete and sent to the chair for final review	Complete

Summary of actions: 31 October 2018

No	Action	Comment
1	Company to print the Forum report and send to members for distribution (100 prints) Post meeting update – 23/11/2018 99 copies printed	Complete
2	Company to arrange focused lessons learned session, potentially for the February 2019 Forum	Ongoing
3	Company to send summary slides to Forum members regarding lessons learned Post meeting update – 1/11/2018 Slides circulated to members on 1.11.2018	Complete
4	Company to review the 2019 meetings and potential dates to be sent to Forum members for agreement at the 13 December 2018 meeting Post meeting update – 12/11/2018 2019 dates created and sent to diaries as well as emailed. Dates to be reviewed at the 13 December meeting.	Complete
5	Forum members to feed back on the APR change log prior to republishing	Complete

	<p><u>Post meeting update – 15/11/2018</u></p> <p>APR change log sent to Forum members, feedback requested by 23 November 2018.</p>	
6	<p><u>Company</u> to share its stakeholder map with the Forum</p> <p><u>Post meeting update – 21/12/2018</u></p> <p>Draft stakeholder map has been sent to Forum members on 21.12.2018.</p>	Complete
7	<p><u>Company</u> to ensure the Forum have the required time to feed back on the assurance plan before progression to focus groups</p> <p><u>Post meeting update – 12/11/2018</u></p> <p>Company will be bringing this item back to the 13 December meeting.</p> <p><u>Post meeting update – 20/11/2018</u></p> <p>Draft assurance plan circulated to members for feedback and prior to the 13 December meeting where this item will be discussed.</p>	Complete
8	<p><u>Company</u> to explore using focus groups within the education sector</p> <p><u>Post meeting update – 13/12/2018</u></p> <p>The company provided an update at the December meeting and have agreed a collaborative approach with Bradford University.</p>	Complete
9	<p><u>Company</u> to share their gearing demonstration which was sent to Ofwat with the Forum</p>	Ongoing
10	<p><u>Company</u> to share pollution and leakage update to be presented to the Forum at the 13 December 2018 meeting</p> <p><u>Post meeting update – 14/11/2018</u></p> <p>Update will be provided at the 13 December meeting</p>	Complete

Summary of actions: 13 December 2018

No	Action	Comment
1	Company to send dates to the Forum for their potential attendance at the University focus groups	Ongoing
2	Company to circulate slides about this agenda item <u>Post meeting update 19/12/2018</u> Slides circulated on 19.12.2018	Complete
3	Company to consult the Forum on the risk analysis regarding pollution and ISF alongside the EA and CCW (in 3 months' time)	Ongoing
4	Company to circulate Waste water slides to the Forum and members to feedback any further queries <u>Post meeting update 21/12/2018</u> Slides circulated on 21.12.2018	Complete
4	Company to provide an update to the Forum in 3 months' time regarding leakage and supply interruptions	Ongoing