

Yorkshire Forum for Water Customers
Minutes of Meeting
20 February 2025
Microsoft Teams Meeting

Attendees:

Chris Griffin	Independent Member
Dave Merrett	Independent Member
Fiona Morris	Environment Agency
Jodie Hall	Citizens Advice
Kursh Siddique	Independent Member
Steve Grebby	Consumer Council for Water

Apologies:

James Copeland	National Farmers Union
Tom Keatley	Natural England

Guests:

Donna Hildreth	Yorkshire Water
Richard Hepburn	Yorkshire Water
Kerry Martin	Yorkshire Water
Francesca Henderson	Yorkshire Water
Josh Clayton	Yorkshire Water
Georgina Woodhead	Yorkshire Water
Rachel Barnard	Yorkshire Water

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1. Minutes

- a) The minutes from January's meeting have been approved by Forum members and will be published.

2. Actions

- a) Open and in-progress actions were reviewed.
- b) Actions from February 2024:
 - i. *The Company to share data tables detailing benefits with the Forum [Working with Others PC].* The Company are commissioning a 6 capitals review to demonstrate the value generated across Yorkshire. This report will be a comprehensive external assessment of wider benefits and is due to be complete by March 2025 at which point it will be shared with the Forum. Currently **in progress**.
- c) Actions from April:
 - i. *The Company to source additional information on Ofwat's consultation relating to the Innovation Fund and share with the Forum.* Ofwat have updated that they intend to consult on this in future, but the specific detail has not been shared. Forum members agreed to **close** this action as Ofwat have no further update.
- d) Actions from September:
 - i. *Add Watermark report analysis to a future Forum meeting agenda.* On February's agenda. **Complete**.
- e) Actions from November:
 - i. *The EA to investigate whether a pollution reporting performance industry comparison can be shared with Forum members, albeit recognising that this would represent unverified data.* It is not possible for the EA to share this ahead of the publication expected in June. **Closed**.
 - ii. *The Company to share a graphical representation of the time to report potential pollution events, particularly where the 4-hour target has been missed.* This will be available after the end of February. **Open**.
 - iii. *Forum members to consider the call for evidence and writing their own response in February 2025.* **Open**.
 - iv. *The Company to provide further updates to the Forum when further details about the Cunliffe review are known.* On the agenda for March's meeting. **Open**.

- v. *The Company to finalise decisions about the future of the Forum.* The Chair called for dates to be provided. **In progress.**

f) Actions from December:

- i. *The Company to share the proposed Stage 2 questions [regional perceptions research] and share the results of Stage 1 by the end of January.* Stage 1 results will be shared by end Feb. Stage 2 is currently on hold. **In progress.**
- ii. *The Company to provide an update on the impact of the new complaint-handling systems and processes in February 2025's meeting.* On February's agenda. **Complete.**
- iii. *The Company to investigate whether a Forum representative could occasionally attend the bi-weekly executive meeting where complaints deep-dives are undertaken.* Check feasibility of attending complaints related meetings. **In progress.**
- iv. *How does the Forum better engage with the senior team at the Company.* Expected to form part of the decisions about the future of the Forum. **In progress.**

g) Actions from January 2025:

- i. *Affordability and Vulnerability subgroup members to investigate the impact of the social tariff on non-household entities, especially considering upcoming changes to minimum wage and National Insurance.* Added to March's A&V subgroup agenda. **Closed.**

h) New Actions from February:

- i. **Action 1:** The Company to bring the investment plan reporting (as submitted to Ofwat) to May/June's meeting.
- ii. **Action 2:** The Company to provide details of the Net Promoter Score calculation as used in the insight dashboarding; examples of specific anonymised complaints details and related scores to be provided for extra context.
- iii. **Action 3:** The Company provide a further update on complaints performance next quarter.
- iv. **Action 4:** The Company to share details of the Environmental Performance Assessment plan with members.
- v. **Action 5:** Plans for performance improvement of sewer flooding to be brought to the Environment subgroup.

3. Update on Environment Subgroup

- a) The Environment Subgroup Chair provided an update on the recent Environment subgroup meeting.
- b) At the meeting, the Company update on the environmental elements of AMP8.
- c) Three main areas were highlighted
 - i. Keeping waste water in pipes – £1.5bn is proposed to be spent in this area
 - ii. Improving river health – install 22k more sewer monitors and drive a 75% reduction in the phosphorus discharged from final effluent.
 - iii. Investing for the future – £232m is to be spent on net zero schemes; investment in climate resilience and power supply protection; achieve 40% renewable energy generation by 2030
- d) The Environment Subgroup Chair reported that the subgroup questioned the Company on costs, cost controls, and discharge monitoring comprehensiveness.
- e) The subgroup was also updated on the development of the Company's Environment Strategy. Some subgroup members have been involved in the consultations and it is expected that the Company will launch this on 5th June, World Environment Day.
- f) The AMP7 Storm Overflow Programme was presented. The Company said that of the c. 2,200 Combined Sewer Overflows (CSO), 619 had been targeted with investigations starting on 200 of the highest spilling sites. The programme started in October 2022.
- g) The Company informed the subgroup that there are currently 117 live schemes which are expected to complete by the end of March 2025. 47 are completed and schemes have seen their benefits realised. Spills have been reduced by 1,400 as a result of these schemes.
- h) 70 projects are still to complete with a handful yet to start. The Company hopes to have all schemes completed by July 2025, delays have been caused by complexities with some schemes.
- i) The subgroup were updated by the Company on its Length of River Improved (LORI) Performance Commitment (PC).
- j) Some schemes from the last meeting were halted because of complexity or a landowner's withdrawal. No funds were spent on these cancelled projects.
- k) Two new schemes were presented for support.
 - i. A scheme expected to deliver in AMP8 is being brought forward since it is already delivering improvements. This was approved by the subgroup.

- ii. The second scheme faced challenges from subgroup members regarding its potential to set a significant precedent. The South Yorkshire scheme entails fencing a watercourse on farmland that contains livestock. Following deliberation, the subgroup concluded that in order to meet the AMP7 target, it would be appropriate to approve the scheme. Consequently, the scheme received approval.
- i) The subgroup received an overview of the planning application process from the Company. The team responsible for working with local authorities and applicants has been expanded to enhance service to developers, in response to the Government's goal of building 1.5 million new homes within the next five years.
- m) A further item will be brought to a future subgroup meeting to cover D-MeX performance.
- n) The subgroup discussed disappointing progress from successive governments on SuDS (Sustainable Drainage Schemes) requirements in development applications.
- o) The Company presented to the subgroup on efforts to reduce lead in pipes, the first update in around 3 years.
- p) Although the Company's Lead Programme has not addressed all the schools with lead pipes as it had intended in AMP7, it has made better progress than other water companies.
- q) The Government prioritises high-risk sites with high lead levels, educational and early years settings, and vulnerable individuals like those on dialysis. These will be the Company's focus for AMP8.
- r) The Company explained the difficulties of removing lead from school sites, such as being restricted to working during school holidays and the challenges of accessing the sites and locating on-site contacts during those periods.
- s) At the subgroup meeting, a member asked whether the Company was using these opportunities to further engage with schools on wider issues such as water efficiency.

A subgroup member also raised concerns that the Company is basing storm overflow spills on the number of spills, rather than the severity, duration or impact on the environment, and noted that customers are more interested in a reduction of harm.

4. PR24 Update

- a) The Company noted that a governance process with the Board has completed and that the Company will not be seeking a redetermination.

- b) This decision means that the Company can focus on delivering improvements for customers and the environment in AMP8.
- c) The Company highlighted ongoing concerns about the long-term investability of the water industry and emphasised the need for continued investment beyond this AMP.
- d) The Company affirmed its commitment to actively participate in the Cunliffe review of regulation.
- e) The Company stated that 6 other companies sought redeterminations.
- f) The Company thanked Forum members for their contribution to the PR24 process and the challenge provided throughout.
- g) A Forum member recognised the challenge that the Company has to deliver against the plan, and asked that the Forum be kept informed of risk mitigation and the investment progress.
- h) The Company agreed that this will be important and also noted that Ofwat are requiring regular reporting on investment plans, and price control deliverables throughout the AMP.
- i) The Forum member asked that the report due to be submitted to Ofwat in May be brought to the Forum

Action 1: The Company to bring the investment plan reporting (as submitted to Ofwat) to May/June's meeting.

- j) A Forum member pointed out that it is beneficial to understand the more complex schemes early on and which gateways need to be passed before raising risks, rather than addressing them late in the process. Resource management is also more difficult if approvals and permits come in late.
- k) In response to a question, the Company confirmed relevant teams are being expanded to deal with the increased reporting and assurance requirements.

5. Research Update

- a) The Company recently attended the CCW research conference, this focused on "fair and affordable bills", trust in the sector and the resilience of water services.
- b) The whole industry has seen a decline in trust, which correlates to both a decrease in the perception that companies care about customers and a diminished belief that they care about the environment.
- c) The research showed that customers are expressing concerns about bill affordability, even before the scheduled price increases in April. 42% of bill payers in England and Wales are struggling to pay at least one household bill.

- d) It is recognised that the bill rises will cause increased pressure on customers, however there is increased awareness of financial support available.
- e) At the event, one company presented a trial involving smart meter customers and a “rising block tariff”. In this model, lower water usage would be billed at a lower rate, with higher rates applied progressively as water usage increased.
- f) Initially, customer participation in the trial was mandatory; however, this approach was not well received. As a result, there will now be an option for customers to opt out.
- g) The Company was concerned about the validity of the trial because customers who opted out were likely those with high water usage, potentially affecting the trial's efforts to reduce usage.
- h) The event also included research on the Environmental Performance Assessment and its relevance to customers. The regulators noted that this is not the time for change but may consider it in the future.
- i) Customer engagement and accountability was also covered with CCW emphasising adherence to five principles: honest and transparent, informed, accessible, motivating, acted upon.

6. Horizon Scanning

- a) The Company presented Horizon Scanning, a programme designed to evaluate plans, strategies, and policies in anticipation of future changes affecting customers, the environment, or communities.
- b) Outputs from the last round of Horizon Scanning were shared with some of the most significant changes identified being microplastics legislation, farming rules and consumers’ financial resilience.
- c) The 2025 scan will review and update 2024 trends, and identify new and emerging trends in the short (0–5 years), medium (5–10 years) and long terms (up to 25 years).
- d) When the scan is complete, recommendations will be integrated into the Strategic Annual Review.
- e) The Company asked Forum members about any potential future changes to consider.
- f) Forum members raised
 - i. The Cunliffe Review and potential changes to regulation.
 - ii. Challenges in funding public services may impact local authorities and partners, e.g. the shift from 6 to 5-year planning for regional flood and coastal committees led to the cancellation of several programs that were set to begin in year 6.

- iii. Wider political uncertainties and implications for European defence, including cyber security and resilience of key infrastructure such as reservoirs. This may require changes to public access to reservoirs or better testing to identify contamination.
 - iv. Mayorships and increased regionalisation.
 - v. Inflationary pressures – household income is increasing at a much lower level than expenditure is increasing.
 - vi. Less ambition to own houses as a result of financial environment. Renters are more exposed to interest rate changes since rents can change every 6 to 12 months whereas mortgage costs are more likely change every 2 to 5 years. This may also result in an increase in transient customers and homes changing hands more often, which could subsequently complicate the tracking of customers for purposes such as PSR registration.
 - vii. Increase in multi-generational households with children leaving home later and more parents moving in with adult children, similarly some separated couples continue to live together due to financial constraints.
 - viii. Financial challenges no longer isolated to those in specific demographics. Social housing tenants are currently more insulated against inflationary pressures than private renters and mortgage holders.
 - ix. Artificial Intelligence and Quantum Computing.
 - x. Accelerated temperature increases due to underestimation of future change paired with failure to deliver the anticipated reductions. This is likely to have an impact on water demand, floods and droughts and consequently asset health.
 - xi. Public perception of the water industry.
 - xii. The future of Thames Water will have an impact on the industry as a whole, e.g. if nationalised.
- g) The Company invited members to submit additional thoughts on Horizon Scanning.

7. Complaints Update

- a) In December, the Company informed Forum members about changes to its complaints process intended to improve service and satisfaction. Forum members asked for this to be revisited so the impact could be assessed.
- b) The Company has seen an improvement with a 24% reduction in escalated complaints in Q3.
- c) In January, there was a notable rise in Clean and Wastewater work cases, with Wastewater experiencing a 200% increase. External contractors were brought in to address this.

- d) The Company has noticed some hotspots for complaints across the region. Bradford, Leeds and Huddersfield form the highest density population area in the region and also report most complaints per capita. This is attributed to the prevalence of terraced properties and associated internal sewer flooding issues.
- e) In wet weather, Hull and York see spikes in complaints relating to groundwater issues.
- f) The Company offered insights into enhanced customer satisfaction measurement and reporting. It was identified that customers tend to be satisfied when an issue is resolved, whereas negative sentiment is often reported when work remains ongoing at the time of the survey.
- g) This has driven the Company to improve service and enhance smart scheduling with the aim to reduce the time taken for investigations.
- h) The Company stated that since November, insights have significantly improved, aiding in better customer decisions and process enhancements.
- i) A Forum member inquired about providing anonymised complaint examples alongside the scoring methodology to illustrate how scores relate to real events.

Action 2: The Company to provide details of the Net Promoter Score calculation as used in the insight dashboarding; examples of specific anonymised complaints details and related scores to be provided for extra context.

- j) The Company demonstrated the changes to CRM systems for Waste Water customer contacts. It explained that the additional capability offered allows for a fuller understanding of the customer's experience.
- k) From March, the Company will be using this one CRM system for Waste Water contacts, rather than multiple legacy systems.
- l) Until July, the Company is piloting an enhanced, proactive customer management approach to uplift satisfaction.

Action 3: The Company provide a further update on complaints performance next quarter.

8. Watermark report

- a) The Company provided an assessment of the Watermark Report.

- b) It was noted that the Company is largely aligned with other company's performance, with the exceptions being complaints and internal and external sewer flooding.
- c) The Company intends to focus on these areas which have under-performed.
- d) In the area of complaints, as covered by the previous item, focus is being given on reasons for complaints with a view to mitigating those issues.
- e) For awareness of additional services, all companies have performed poorly for this measure. There have been multi-channel campaigns and information on customers' bills to improve awareness. The vulnerability strategy "By Your Side" will be finalised this year, and publicised as a result.
- f) The Company reported that in 2023/4, there was a 9-month period with the wettest weather experienced in 150 years, impacting sewer flooding performance.
- g) The Company informed the Forum of significant investment to mitigate issues by funding improvement initiatives such as desilting and cleansing, property surveys, updating assets and running behavioural change campaigns.
- h) The performance for annual leakage and supply interruptions have both been below average.
- i) Investment has been directed to address these issues by identifying leaks more quickly to prevent supply interruptions, with particular focus on replacing the worst performing mains.
- j) The Environmental Performance Assessment (EPA) plan has been published.
- k) The plan comprises 5 areas: Process Improvement and governance; Training, competence and culture; Data and technology; Maintenance and investment; Risk and assurance.

Action 4: The Company to share details of the EPA with members.

- l) The Chair observed that, concerning sewer flooding, the recent inclement weather might be record-breaking; however, it does not represent a one-year trend. He hoped that the Company would seek to address this key customer concern despite weather and regional property challenges (notably cellared terraced housing).

Action 5: Plans for performance improvement of sewer flooding to be brought to the Environment subgroup.

9. AOB

- a) No further business was raised.

Actions tracker –

February 2025

Ref.	Action	Status
1	The Company to bring the investment plan reporting (as submitted to Ofwat) to May/June's meeting.	Open
2	The Company to provide details of the Net Promoter Score calculation as used in the insight dashboarding; examples of specific anonymised complaints details and related scores to be provided for extra context.	Open
3	The Company provide a further update on complaints performance next quarter.	Open
4	The Company to share details of the Environmental Performance Assessment plan with members.	Open
5	Plans for performance improvement of sewer flooding to be brought to the Environment subgroup.	Open

January 2025

Ref.	Action	Status
1	Affordability and Vulnerability subgroup members to investigate the impact of the social tariff on non-household entities, especially considering upcoming changes to minimum wage and National Insurance.	Closed

December 2024

Ref.	Action	Status
5	The Company to share the proposed Stage 2 questions [regional perceptions research] and share the results of Stage 1 by the end of January.	In progress
6	The Company to provide an update on the impact of the new complaint-handling systems and processes in February 2025's meeting.	Complete
7	The Company to investigate whether a Forum representative could occasionally attend the bi-weekly executive meeting where complaints deep-dives are undertaken. Check feasibility of attending complaints related meetings.	In progress

8	How does the Forum better engage with the senior team at the Company	In progress
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November 2024

Ref.	Action	Status
1	The EA to investigate whether a pollution reporting performance industry comparison can be shared with Forum members, albeit recognising that this would represent unverified data.	Closed
2	The Company to share a graphical representation of the time to report potential pollution events, particularly where the 4-hour target has been missed.	Open
3	Forum members to consider the call for evidence and writing their own response in February 2025.	Open
4	The Company to provide further updates to the Forum when further details about the Cunliffe review are known.	Open
5	The Company to finalise decisions about the future of the Forum.	In progress

October 2024

All actions completed.

September 2024

Ref.	Action	Status
6	Add Watermark report analysis to a future Forum meeting agenda.	Complete

August 2024

All actions completed.

July 2024

All actions completed.

June 2024

All actions completed.

May 2024

All actions completed.

April 2024

Ref.	Action	Status
2	The Company to source additional information on Ofwat's consultation relating to the Innovation Fund and share with the Forum.	Closed

March 2024

All actions completed.

February 2024

Ref.	Action	Status
5	The Company to share data tables detailing benefits with The Forum [Working with Others PC]	In progress