



## CUSTOMER SCRUTINY PANEL MINUTES

Thursday 27<sup>th</sup> April 2023

### Attendees

Chair:	Steve Crabb (SC)
External Members:	Alison Thompson (AT)
	Ana Maria Villaneda (AV) ( <i>Teams</i> )
	Christine Cleveland (CC) ( <i>Teams</i> )
	Amy England (AE)
	Simon Bland (SB)
	Beryl Wall (BW)
	Paula Sone (PS)
	Janet Wright (JW) ( <i>Teams</i> )
SES Water:	Kate Thornton (KT)
	Ian Cain (IC)
	Dan Le Roux (DLR)
	Sheila Bowdery (SB)

### 1. Private Meeting

A private session with external CSP members took place prior to the start of the meeting.

### 2. Minutes and Arising Matters

SC welcomed Paula Sone to her first meeting and CSP members introduced themselves to PS.

SC advised that the minutes had been circulated and that the Action Log was being managed.

### 3. Business Update

IC reported that it had been a good year despite many challenges. SES had strived to take control of their customer processes, which had helped improve service, and KT would update on CMEx later.

Operationally it had been challenging, but the company had focused throughout on avoiding disruption to customers. IC advised that SES Water missed their regulatory mains replacement target and expect a penalty of around £800,000. They beat their target for supply interruptions however, with fewer bursts than any other company. Softening had also been challenging, with a

number of operational outages alongside supply chain interruptions resulting in the company not meeting this target in the year.

SES's water quality levels continued to be industry leading, and they had met their regulatory leakage target. SES also beat their void properties target and outperformed their supply interruptions target.

Financially it had also been very challenging, and SES had missed their 2022/2023 cost targets due to a range of factors including the cost of inflation and increased costs for chemicals and energy. IC said that SES were continuing to spend money in the right areas to deliver their customer pledges in very difficult circumstances, with the full support of the Board.

IC advised that planned resilience works on the A22 in Purley over the summer were on track and communication with stakeholders was taking place. Once work is completed, this will enable SES Water to link properties in the area to a second SES Water treatment works in that supply area, thereby increasing resilience and protecting customers' supply. They will be the only water company in the UK be able to do this.

IC commented that he was pleased that SES Water are continuing to invest in more resource where required to deliver their customer pledges.

IC gave an update on the shareholders' Strategic Review of the business. No decision had been made yet and work is ongoing. The first commitment of the Board and IC as CEO would remain to the business and its customers throughout the Strategic Review process. The 2023/24 budget had been agreed and ratified by the Board.

IC commented on the recent 'Your Water, Your Say' forum which took place a week before the CSP meeting. It had been a very interesting process, which he and the business learnt a great deal from. IC observed that many of the customers' opinions were media driven and said that SES Water would need to work hard to engage with and educate them in the future. IC said he had expected to hear more about price, but customers asked most questions about the environment. KT commented that Ofwat were pleased with the participation levels. IC said that a huge amount of work and time had gone into preparing for the session and that the company will be holding a 2<sup>nd</sup> session in the autumn in line with the Ofwat methodology.

CC asked if SES Water felt that due to the timing of the forum, they had missed the younger bill payers? SC commented that he had signed up for both Thames and Affinity sessions which were due to be held in the afternoon and felt there would be less of an uptake as a result. AMM asked if it should be held later in the evening? KT said SES would consider these points for the next one, but the company had higher sign-up levels than other companies overall. SC commented that the feedback he had heard was that the SES forum was one of the best there had been so far. The level of challenge was very good, but did show that people are uninformed.

#### **4. CMEx Progress and Future Plans**

KT advised the panel that SES Water had recently had a supply interruption. A 5 inch main burst had occurred in Kenley, resulting in loss of supply to over 500 homes for a period of time. KT advised that SES response had been good, with customers being immediately informed and continuing to be informed until the interruption had been fixed. General feedback from customers was positive. SES Water held an engagement event in the local community after the event to continue talking with

customers and offering support. IC added that due to the size of the interruption the Drinking Water Inspectorate had been informed, but they advised that no additional response was required from them, which was an excellent outcome for SES Water.

KT was delighted to inform the panel that SES Water had secured its highest ever ranking in the CMeX table, finishing 10<sup>th</sup> in the previous quarter. SES were continuing to be competitive in the sector and all the hard work was starting to pay off, she said.

KT advised that customers had been saying previously that SES Water was not responding fast enough, but now 90% of calls were being answered within 30 secs. KT advised that there were no calls abandoned in March during the busiest period of annual billing time. The team were continuing to focus on quality as well as speed of response, and billing accuracy had improved considerably compared to the same period in 2022.

AE raised a point that had affected her. She said she had received 3 different letters when advising she was moving home, and the process could have been much simpler. She also flagged concerns around the potential for incorrect billing. KT thanked her for the feedback and asked AE to share the details so she could review the process with her team. She also advised that Home Move would be added to the company's MyAccount self-service portal later in the year.

## **5. Social Tariff Progress and Future Plans**

KT advised that SES was continuing to meet its performance commitment for the number of customers on Water Support. At the same time they had stepped up their auditing to ensure they were removing customers who were no longer eligible to ensure that support was fairly distributed. SB advised that they were auditing at 10% per month and that by the end of year everyone on the tariff whose circumstances may have changed would have been audited.

SB advised that they continued to attend community events with members of their team. They had also undertaken training on autism/dementia and safeguarding training would take place with Surrey Fire & Rescue. Members of the team had started to attend Sutton Job Centre on the last Friday of every month, helping the DWP meet their objectives and SES to reach members of the community who require support paying their bills.

KT added that SES Water was making it easier for the customer to contact them through different partners and that by changing their thinking to make more use of partner referrals, they were making it easier for customers to access support tariffs without them to initiate contact with SES.

SC commented that SES are making a difference and helping people build their resilience. SB said the more they collaborate with the community, the easier it makes life for the customer. IC agreed and said having resources placed in the community is the best way of helping our customers.

KT said the company's LTDS ambition was to eliminate water poverty by 2050. As part of the planning process, they would be engaging with customers and stakeholders about a range of scenarios for how many customers the company should be helping in PR24 period. They also be looking at the design of the social tariff, including eligibility criteria, and customer appetite for continuing or increasing the existing £6 cross subsidy.

## **6. Customer and Stakeholder Engagement Strategy & PR24 Update**

DLR, Penny Hodge and Jo East took the group through a presentation of the current status of the Customer and Stakeholder Engagement workstream of the company's PR24 programme, giving an update on what had been done to date and what was still to come.

SC asked for time at the end of this point to discuss the triangulation workshop that he attended on 26/04/23. *Post meeting Note: Due to time this did not happen*

AT asked how many properties still have lead pipes, to which DLR replied there were 108,000 lead supply pipes.

The panel asked about the speed and appetite for proposed smart meter roll out. DLR advised that 72.5% of household customers had meters as of April 2023.

AT commented that she thought YWYS was excellent session, well prepared, with a high level of ambition and honest approach, but challenged whether it was fully reflective of SES Water's diverse customer base. DLR said that both he and KT had discussed this; the company had genuinely tried to drive engagement across its whole customer base. KT asked for any suggestions on how they could reach the parts of the community that were not represented.

SC commented that it was a well organised event, with a broad spectrum of invitees' and the presentation was brave and honest. Based on the feedback he had seen so far SES Water had the highest number of customers who registered, attended and pre submitted questions of any of the water companies. BW felt the timings could be adjusted to suit a younger generation; she felt that younger families would be having tea at the time the event was held, and that we need to engage this age range.

SC asked that a session on PR24 be arranged for PS due to her being new on the panel.

## **7. ESP Update from Alison Thompson**

AT explained that ESP had conducted a performance review where Years 1 and 2 of the current AMP were analysed in comparison with AMP6 (2015-2020) data for environmental performance commitments.

Your Water Your Say customer engagement materials had been shared with ESP, and reflections on the first session provided. The event was judged to have been a success by a range of stakeholders who attended.

The main focus of the meeting was following up on the top 10 key ESP challenges to the business in the challenge log. In response to these challenges, SES has responded by hosting a series of strategy deep dives for the Panel to add further challenge and insight. Outputs and implications of the recent deep dive sessions on long-term strategy and behaviour change were discussed. The next deep dive on climate change is planned for May.

## **8 AOB**

SC commented that this was the best attended CSP meeting since he had started and that it was good to have Paula on board.



KT advised that one of the SES Water NEDS - Rebecca Wiles - would be in attending the July CSP meeting.

KT answered a question raised at a previous meeting from CH regarding a proposal for housing development on property owned by the company at Godstone, and advised that the planning application is available on the Tandridge District website with a determination expected in May.