

## **NORTHUMBRIAN WATER CONSULTATION ON ITS STRENGTHS, RISKS AND WEAKNESSES AND ITS DRAFT ASSURANCE PLAN**

### **Response from the Northumbrian and Essex and Suffolk Water Forums**

#### ***Introduction***

The Northumbrian and Essex and Suffolk Water Forums have representation from a wide range of people, organisations and sectors – from consumers and business to communities and industry regulators.

The Water Forums exist to help Northumbrian Water Group (NWG) assure all parties that the company has used best practice customer engagement tools; and that the decisions it takes, both in its operations and its strategies, are the best possible for its customers. The decision-making can be complex, because of the breadth of interests amongst customers and the scale of operations of a large water supply and wastewater treatment organisation.

This is where a good, open culture, the methodical use of customer data and the practical engagement of the Water Forums and its diverse membership comes in. We are pleased, therefore, to again contribute to the consultation on NWG's Risks, Strengths and Weaknesses and Draft Assurance Plan.

#### ***Response***

The documents make good and encouraging reading, and once again the number of consultation responses from customers, at almost 4,000 in a 6-week period, was impressive.

The results of the consultation – which included asking customers what they thought was missing, and which sought to understand the reasons why the draft assurance plan did not give them confidence and trust in NW/ESW – gave the company valuable customer feedback, from which it can strengthen its Assurance Plan and improve operational procedures.

We note that many customers were generally unaware of the assurance plan, and its language is rather generic and corporate. However, customers' engagement in issues increased when more tangible items were considered, such as leakage of pipes, sewer flooding and the use of plastic drinking water bottles.

This data demonstrates the importance of NWG regularly communicating its approach and performance in way that's readily digestible and understandable. Doing so will permit ever-increasing numbers of customers and stakeholders to understand and challenge the company's performance in key areas, thereby allowing the company to benefit from the insight it gleans.

It is also important that customers' experience and views are translated through intermediary organisations, for example by those who represent business, consumers or the environment.

The Forums' diverse make-up allows us to challenge, to provide a perspective on stakeholder views and to give the senior leaders at NWG the opportunity of testing their assumptions and viewpoints. During the past year, the company has continued to engage us in its thinking on the important issues covered in the consultation document; and has listened to and taken action in a number of areas where we have challenged their thinking.

The Forums have been very active at a practical level. As well as meeting every 2-3 months:

- Members have challenged the company when attending over 40 events in the presence of senior or technical staff; events that covered a very wide range of NWG's activities
- We have met with the Executive Leadership Team, Independent Non Executive Directors and the full Board.
- In our challenge log, we have registered over 120 specific challenges to the company.

The company has often shown a willingness to listen, act and learn from the challenges we put to them, among which there are some strong themes:

- Performance of the company in terms of efficiency and effectiveness over the management and repair of leaks and of sewer flooding incidents
- The degree to which the company effectively, proportionately and fairly addresses water poverty and the inability or unwillingness of some customers to pay bills
- The amount of unnecessary waste material that finds its way into the water cycle through pollution incidents or chronic pollution
- The degree to which NWG works effectively with its partners in the utility sector, with civic leaders and in the voluntary sector to deliver effective and cost-efficient outcomes.

We are impressed by the way the company has clearly listened not just to the Water Forums but, critically, to its customers and stakeholders; and has included their proposals and suggestions in the current and new assurance plans. For example, their suggestions that the plans should include data protection/security (including water conservation) and resilience are included.

Reflecting back on what we commented on in 2017:

- We welcomed the Company's commitment to review the consultation process on its assurance plan, and to adopt the useful lessons it learned from doing so. Our experience over the last 12 months, and the evidence clearly presented in these papers, demonstrates that NWG is very much a learning organisation, keen to improve and be market leader.
- We made the point that for customer information more generally, an emphasis on clear outcomes was particularly important; and that whilst some outcomes may be relevant to and shared by all water companies, having the right outcomes for each geographic area means some meaningful, 'bespoke' solutions too. In practice, our experience is that the company shares this sentiment and is working constructively to develop the best possible outcomes for the areas it serves.
- We suggested that the Forums' members could provide expertise in some areas, and we offered their support, discussion and advice. We are pleased that the company has taken up this offer in several instances.

In drawing our conclusions, we underscore that there are three areas of procedure that, if inadequately managed, can weaken the company's performance towards its customers:

- The quality, consistency, reliability and accuracy of data collected to provide customer insights.
- The responsiveness of the company to feedback, ensuring that in each decision, actions that benefit the customer are chosen. Indeed, the company needs to more clearly state what are company priorities and what are customer priorities and how any proposals address them, or not.
- The importance of giving feedback to customers to allow them to make judgements. We continue to support the use of comparative data and information wherever possible, because customers find it useful. What's more, we believe that this is still the general direction of travel for utilities and other services, so it has become something that customers expect. We know that NWG is very much engaged in this process and commend the company for the positive action it continues to take.

### **Conclusion**

To conclude, the Water Forums overall feel very supported by NWG in their work. At all levels, the company takes external scrutiny seriously; it learns and it engages with stakeholders generally and with the Forums specifically. We are pleased to once more have had the opportunity to comment on the documents and hope that our observations are helpful.

**Jim Dixon**

*Chair of the Water Forums  
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