

Minutes of the fourteenth meeting of the Customer Forum on 18 February 2013 at the Water Industry Commission for Scotland's office, Stirling

Attendees: Peter Peacock (Chair)
Fiona Ballantyne
Jo Dow
Cowan Ervine
Sarah Hendry
Agnes Robson
Sue Walker
Bob Wilson

In attendance: Philip Anderson, Drinking Water Quality Regulator (item 5)
Sue Petch, Drinking Water Quality Regulator (item 5)
Douglas Millican, Scottish Water (item 6)
Jim Mulholland, Scottish Water (item 6)
Belinda Oldfield, Scottish Water (item 6)
Alan Scott, Scottish Water (item 6)
Adam Ralston, Water Industry Commission for Scotland
Donna Very, Project Co-ordinator

Chairman's opening remarks

The Chairman welcomed everyone and opened the 14th meeting of the Customer Forum.

1. Apologies for absence

Iain MacTaggart

2. Minutes of previous meeting (13/01)

The Forum agreed that the minutes were an accurate record of the last meeting subject to one minor amendment.

3. Oral update on current issues and events

The Chair updated the Forum on recent activities.

The Forum's independent customer research work was now underway and Agnes Robson (Forum Member) and Donna Very (Project Co-ordinator) had attended viewings of two customer groups in Edinburgh. The viewings were very interesting and Scottish Water had also sat in on the viewings. There are other opportunities for Forum members to view customer groups and the Project Co-ordinator will seek confirmation from members of their attendance. A presentation of interim findings will be given to the Forum at the March meeting.

The Forum noted that the Parliamentary event on 7 February hosted by Maureen Watt, MSP, had been well attended and there was a good level of engagement.

The Chair provided the Forum with an update on a recent meeting he had held with the Chief Executive of the Convention of Scottish Local Authorities (COSLA). COSLA intend to send out a very short questionnaire to Councillors which will ask a

couple of water related questions. COSLA will arrange for the Forum to attend a future meeting of their members to discuss water issues from the point of view as local authorities as a major customer of water and with their interests in promoting economic development.

The Chair met with Robert Leask, Senior Portfolio Manager at Procurement Scotland. He has responsibility for the Utilities portfolio which includes electricity, natural gas, water, liquid fuels, biomass and facility management contracts. The public sector in Scotland accounts for 20% of the competitive retail market for water services. The Forum will invite Mr Leask to a future meeting.

The Chair had a very helpful meeting with Jon Rathjen from the Scottish Government Water Division. The Chair gave him an overview of current Forum activities.

The Chair had held a meeting with Douglas Millican, Chief Executive of Scottish Water.

Other items of note:

The Forum is seeking to appoint a Policy Adviser and are in the process of developing a draft job description.

The Forum will tender for PR support.

The Chair will visit Welsh Water in early March.

The Project Co-ordinator will seek a new date for a strategy day for Forum members.

4. Water Industry Commission for Scotland – Meeting of Boards

Since the establishment of the Forum, the Forum had not met with current Commission members from the Water Industry Commission for Scotland. Members of both boards gave a brief introduction of their background and experience. The purpose of this meeting was to establish communications between both boards. The Chair of the Forum provided an overview of current workstreams and commented that Scottish Water have been very open and committed to the whole forum process. There was a useful exchange about a number of issues of mutual interest related to the price determination.

5. Drinking Water Quality Regulator (DWQR)

DWQR gave a presentation on their investment priorities, progress being made on the Drinking Water Directive and a brief overview of the technical expression.

DWQR ensure that Scottish Water comply with regulatory standards through monitoring and inspection. Scottish Water have made improvements in the quality of drinking water supplies and 99.84% of samples taken from consumers taps have achieved the standards set out in the Water Industry (Scotland) Act of 2002. Since 2002, £1.1 billion has been spent in improving the quality of public drinking water but more investment is required to meet the Drinking Water Directives beyond 2015. DWQR are particularly concerned over the number of trihalomethanes (THMs) found in samples with 47 incidents being found. The DWQR will be working with Scottish Water to make significant improvements in this area.

A helpful explanation of the status and use of the 'Technical expression' as given

and a range of points were explored in discussion.

The Forum thanked DWQR for their very informative presentation and willingness to discuss issues of importance to the Forum.

6. **Scottish Water – Service Improvement Report “*Maintaining Base Service*”**

The Forum took the opportunity to congratulate Douglas Millican on his recent appointment as Chief Executive of Scottish Water.

Scottish Water presented their Service Improvement Report, *Maintaining Base Service* which sets out how Scottish Water plan to maintain the level of capital maintenance investment required to maintain the service levels achieved at 2015 (the base service level) and statutory compliance.

Scottish Water explained their approach to assessing and validating the level of capital maintenance for the period 2015-2021. Scottish Water used an asset management modelling technique, developed in partnership with Edinburgh University and Glasgow University, which reviewed the long and short term requirements of their assets. This technique was subsequently validated by Black and Veatch and an independent expert from Nottingham University. Scottish Water consider that they have a better understanding of trends and asset management. Scottish Water have significantly improved services since 2002 by changing the way they operate and reducing the risk of assets failing by capital maintenance investment. Scottish Water seek an increase in investment in order to improve on environmental pollution, interruptions to supply, compliance with discharge, information technology and long life assets.

Following a series of questions, the Forum thanked Scottish Water for a very clear report and undertook to provide further feedback in due course.

7. **Sign off – Strategic Projections**

The Forum considered the draft response prepared by the Chair to Scottish Water's consultation “*Shaping the future of your water and waste water services – Draft Strategic Projections*”. Forum members provided additional comments to the draft which once finalised will be submitted to Scottish Water.

8. **AOB**

None.

9. **Closing remarks**

The Chair thanked all those who attended the meeting and confirmed the next meeting as 18 March 2013 at the office of Consumer Focus Scotland.