

## **Minutes of the thirteenth meeting of the Customer Forum on 21 January 2013 at Consumer Focus Scotland, Royal Exchange House, Glasgow**

Attendees: Peter Peacock (Chair)  
Fiona Ballantyne  
Jo Dow  
Cowan Ervine  
Sue Walker (via conference call)  
Bob Wilson (via conference call)

In attendance: Jane Cameron, Mindspace (item 4)  
Clare Wade, Mindspace (item 4)  
Jim Mulholland, Scottish Water (item 5)  
Belinda Oldfield, Scottish Water (item 5)  
Alan Scott, Scottish Water (item 5)  
Keith Harris, Independent Assessor (items 1-5)  
Emma Partridge, Research expert (item 4)  
Adam Ralston, Water Industry Commission for Scotland (WICS)  
Donna Very, Project Co-ordinator

### **Chairman's opening remarks**

The Chairman welcomed new Forum member, Fiona Ballantyne and opened the 13<sup>th</sup> meeting of the Customer Forum.

#### **1. Apologies for absence**

Iain MacTaggart

Agnes Robson

Dr Sarah Hendry

#### **2. Minutes of previous meeting (12/12)**

The Forum agreed that the minutes were an accurate record of the last meeting.

#### **3. Oral update on current issues and events**

The Chair updated the Forum on recent activities.

The Forum discussed the recent press article on Scottish Water price rises. Scottish Water are to increase domestic water and sewage charges by 2.8% (less than the rate of inflation) from April. This rise is the first rise in 4 years and it has come under some criticism in the press.

The Chair informed the Forum that the contract with the Golley Slater (PR company) had expired. It is hoped that the contract can be renegotiated but on a retainer basis only.

The Chair and the Project Co-ordinator held useful discussions with the Drinking Water Quality Regulator (DWQR). DWQR will come to a future Forum meeting to talk about DWQR priorities, the Technical Expression, and their interest in OPAs.

The Chair and the Project Co-ordinator recently met with Alan Sutherland, Chief

Executive, WICS and Keith Harris, Independent Assessor. The discussions were very useful in identifying some of the key variables in the whole price setting process and the role WICS could perform in assisting the Forum on issues around the review of OPAs. The Forum looked forward to meeting the Commission on 18 February to update them on the work of the Forum.

The next Forum meeting will take place at the Water Industry Commission for Scotland's office in Stirling.

Maureen Watt will sponsor a Parliamentary event for the Forum on 7 February - "Introducing the Customer Forum". Forum members were informed of timings. It was stressed that such events in the Parliament were not noted for delivering large attendances and attendance by Forum members was not regarded as a 'three line whip'.

The Forum noted the receipt of the recently published consultation document by the Regulated Industries Unit outlining their draft work programme. The consultation helpfully set out what the RIU will do and the policy considerations around water. The Forum will respond to this consultation and a draft response will be circulated to a future meeting for discussion and approval.

The Chair indicated he is to attend the next board meeting of Consumer Focus Scotland and will provide them with an overview of the Forum's activities.

Bob Wilson outlined the main topics of a recent Hydro Nation Conference he attended, along with Agnes Robson and Sarah Hendry.

The Chair is scheduled to meet with Douglas Millican (Scottish Water) at the end of January and a date is being sought for a meeting with SEPA.

#### **4. Customer Forum Customer Engagement Research**

Emma Partridge provided an overview of the process used to award Mindspace the contract for the Forum's customer engagement research. Three proposals had been considered and Mindspace had been awarded the contract based on the scoring system published as part of the procurement process. As agreed by the Forum, Scottish Water had been appropriately involved in the process of selection, undertaken by Consumer Focus Scotland.

The Forum welcomed Mindspace to the meeting. They provided the Forum with an overview of their research method and sample criteria. The research locations and timings were outlined and the Forum were informed of viewing opportunities. The Project Co-ordinator will circulate viewing dates and inform Mindspace whether members would like to attend. The Forum discussed the topic guide and made some suggestions to be considered when recruiting. Emma Partridge will continue to work closely with Mindspace to ensure the project is on track.

#### **5. Scottish Water**

The Forum thanked Scottish Water for the latest two Service Improvement Reports, *Improving the water environment* and *Meeting demand from new customers* which were considered to have been written in a succinct and helpful style.

Scottish Water gave a presentation on the key points for investment and improving the water environment over the period 2015-2021 and its statutory obligations to meet the Minister's draft objectives. Scottish Water stressed their perspective that there was little

room for discretion in what they had to do, with limited discretion in the ways they were able to meet what was required. The Forum sought a number of clarifications on issues raised and touched on the impact such investment will have on bills and service.

Scottish Water informed the Forum of its statutory obligations to provide services to meet the demand from new customers and the ways they did this. The Scottish population has been forecast to grow and Scottish Water has a statutory duty to provide water services at a reasonable cost. Scottish Water expect to invest significant sums between 2015-2021 to enable new customers to connect to the network but are unable to predict exactly where development will take place. The Forum probed a number of dimensions of the report.

The Forum agreed that they would respond to these papers in due course. The Forum will also give feedback on the issues arising from the most recent of range papers supplied by WICS.

The Forum also confirmed to Scottish Water that they will be responding to the consultation on the Strategic projections, but the submission will be after the closing date to allow the Forum to consider the draft response at their next meeting. Scottish Water confirmed that they were content with this.

## **6.AOB**

Members briefly discussed some developments to their thinking on the issues of what might constitute success at the end of the process.

## **Closing remark**

The Chair thanked all those who attended the meeting and confirmed the next meeting as 18 February 2013 at the office of the Water Industry Commission for Scotland.