

Water Customer Forum for water in Scotland

Statement of Purpose and Work Plan

The Customer Forum is established through a formal Co-operation Agreement between the Water Industry Commission for Scotland, the Consumer Futures Unit (CFU) of Citizens Advice Scotland, and Scottish Water, for the period of the consideration and processes surrounding the Strategic Review of Charges 2021-2027.

While appointed by these bodies, the Forum is designed to sit independent of all of the bodies in undertaking its task.

Members:

Peter Peacock, Chair
Rachel Bell
Jo Dow
Andrew Faulk
Stuart Housden
Tom May
Mairi Macleod
Agnes Robson
Sue Walker
Bob Wilson

More details on each member can be found [here](#)

Strategic Objectives:

- To seek to agree with Scottish Water their Business Plan for the period 2017 to 2021, on behalf of customers.
- To seek to achieve the highest possible levels of customer and community focus within Scottish Water's practices.

Context:

The Water Industry Commission for Scotland is responsible for setting prices for water services in Scotland at a level which meets Government Ministers objectives for Scottish Water at the lowest overall reasonable cost. In delivering its statutory duty the Commission is seeking to embed the strongest possible customer voice in decision making about the services Scottish Water delivers and has invited the Customer Forum to seek to ensure that this happens.

The Commission has made clear that, within acceptable ranges it will set in fulfilling its statutory duties and the policy framework set by Scottish Ministers, if the Customer Forum and Scottish Water can together agree a business plan for Scottish Water for the period 2017-2021, the Commission is minded to agree that plan as the basis for the Draft determination of Charges for 2017-2021. This approach by the Commission gives the Customer Forum an influential position, on behalf of customers, in agreeing the levels of service customers will receive over that period and on the charges customers will pay.

The Forum's Role:

The Forum is established to act as the principal means through which customer's views are incorporated into the Strategic Review Process, but not as being a 'representative body' of customer types.

The Forum members are selected because of their broad experience and expertise. The Forum will fulfil its role by devoting time and resources, along with Scottish Water, to establishing what are customers' and communities' needs, views, aspirations and priorities with regard to water services and charges. Informed by the insights they can gain into where customers stand on various issues, the Forum members will then seek to ensure that customers' interests are reflected in Scottish Waters' ambitions and plans.

The way we will work:

The Forum intends, in conjunction with Scottish Water and (where appropriate) the Consumer Futures Unit (CFU) of Citizens Advice Scotland, to undertake such research as is necessary to establish customers interests to enable it to fulfil its role. The Forum will work closely with Scottish Water and the CFU on co-ordinating research activities in a Research Co-ordinating Group. Notwithstanding this joint work, the Forum may elect to undertake its own research, if and when the Forum consider this necessary. The aim would be to maintain close liaison with Scottish Water and CFU on research activities throughout the process, ensuring open access to research findings.

In addition to discussions with Scottish Water and WICS, the Forum will have discussions with organisations that can help inform its thinking, for example SEPA and DWQR.

The Forum intends to ask of every proposition brought to it: Why is what is proposed in the customers' interests? Equally, the Forum, in itself considering what it says to Scottish Water on behalf of the customer interest will ask of itself: Why is what we seek in the customers' interest? By applying this discipline to its task, the Forum hopes to be an effective and powerful scrutineer and voice for the customer interest in the future planning and delivery of water services in Scotland.

We will pay attention in our work to the community dimension to water service planning delivery as well as what is in the individual interests of customers. We will have regard to both communities of interest and communities of place.

We will seek to observe the principles associated with Ethical Based Regulation (EBR), where pursuing constructive and co-operative relationships with principal partners is key, where

seeking solutions to problems is seen as a shared endeavour between different stakeholders, and where honesty and openness should be hallmarks of the necessary relationships to achieve better outcomes. EBR demands that the involved parties 'do the right thing', and the Forum will embrace this approach in what it does on behalf of customers.

The Forum will also support the OECD peer review of the SRC process and work with the OECD in respect of the opportunity to utilise behavioural insights in pursuit of the aims of the Forum.

What the Forum is not:

The Forum is not a complaints body in respect of Scottish Waters delivery of water services. Those services continue to be provided by Scottish Water itself, by the Ombudsman ultimately, and through organisations like Citizens Advice Bureaux.

The Forum is also not established to be the formal representative of customers in matters of Government or regulatory policy for the industry. Formal representation of customers in policy matters is the responsibility of CAS (CFU). This means the Forum only has a role on behalf of customers within the bounds of the statutory Strategic Review of Charges process and in matters arising and ongoing from any such previous review.

Legitimacy and Accountabilities:

The Forum has been appointed by bodies with statutory responsibility for water services in Scotland through a formal Co-operation Agreement to carry out a specific task and this gives their task the legitimacy that comes from this.

The Forum is a formal part of the statutory process for the Strategic Review of Charges, the detailed methodology for which is set out [here](#).

The Forum itself sees itself as only having wider legitimacy with customers if it conducts itself in a manner that genuinely seeks out an understanding of where customers stand on key issues relating to their water services and charges.

The Forum further sees each member as having personal legitimacy in the task they are to perform, having been formally selected for the task within the terms of the formal Co-operation Agreement.

The Forum is an independent body from its founders but is accountable to the Water Industry Commission for its budget. It is accountable for regular reporting on the delivery of its task to the Water Industry Commission and the CFU.

The Forum also regards itself to have other accountabilities. As the Forum's role sits within a statutory process for which Ministers are accountable to Parliament, the Forum regards itself likely to be answerable to Parliament for its actions. As such, the Forum will test its own actions against whether it believes it would be capable of readily justifying any decisions or actions it takes to Parliament. Beyond this, each Forum member carries a personal responsibility to act in what they regard, in light of the evidence they receive, to be the customers' best interests – both today's customers and customers in the future.

Transparency:

The Forum is committed to conducting its affairs in an open and transparent manner. We will publish the Agendas and Minutes of our meetings and such papers as are not regarded to be confidential. We will update information on our website and allow its use as a channel of communication to the Forum.

Within the nature of the task the Forum is being asked to undertake there will inevitably be matters, options and information the Forum will consider or be asked to consider which, at the time of its consideration may be of a sensitive or confidential nature and that will not be immediately open to scrutiny. None-the-less the Forum, although itself not subject to FOI, will seek to conduct its release of information in a way entirely consistent with FOI.

Work Plan:

The Forum has a well-defined timetable for its work which is contained in Appendix 4 of the attached Methodology document. In addition, the methodology document sets out in Appendices 1 and 2 respectively, the Commissioning letter for the Strategic Review of Charges 2021-27 and the aforementioned Co-Operation agreement. Also attached is the Commissioning letter to the Chair of the Customer Forum. These documents should be seen as part of this Statement of Purpose and Work Plan.

The Forum expects to be led in its endeavours and enquiries with Scottish Water by what it establishes through research as being the customers' interests. That said, the Forum expects to engage with, inter alia, the following issues over the period of its work:

- Water use and efficiency, including from leakage
- Water pressure as experienced by customers
- Sewer Flooding
- Odour experienced by communities from waste water treatment works
- Levels of lead in water
- Rural access to all water services and the question of equity
- How businesses experience their water services
- The meeting of statutory drinking water quality and waste discharge standards
- Customers' attitudes to the level and stability of charges
- The development of performance measures which will support further improvement in the customer experience of water services
- New capital spending requirements on water and waste water infrastructure
- The resilience of the water and waste water infrastructure to deliver consistent standards of service
- The requirements for capital maintenance of infrastructure
- The relative efficiency of Scottish Water and its delivery of ever greater innovation
- Scottish Water's use of energy and the carbon and environmental implications as part of wider climate change considerations
- Inter-generational equity in the financing of Scottish Water
- Capital debt and its implications for charges and the ability to invest
- Service level equity across Scotland

- The phasing out of Private Finance funded infrastructure as agreements for such end
- How Scottish Water engages with its customers and communities
- Issues of providing for economic growth and new connections

The engagement on these topics will help inform the Customer Forum's approach to its discussions with Scottish Water on its Business Plan.

ENDS
August 2017