

**Ninth Meeting of the Customer Forum
Held on Thursday 11 January 2018**

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

In attendance: Kerstin McEwan, Water Industry Commission for Scotland
Donna Very, Water Industry Commission for Scotland
Rebecca Millar, Consumer Futures Unit
Gail Walker, Consumer Futures Unit
Douglas Millican, Scottish Water
Simon Parsons, Scottish Water
Tom Harvie-Clark, Scottish Water
Molly Horsley, Scottish Water
Belinda Oldfield, Scottish Water
Brian Lironi, Scottish Water
Sara McCann, Scottish Water
Aptivism Team (full names to follow)

Observing: Donald MacRae, Water Industry Commission for Scotland

Chair's opening remarks

The Chair welcomed all to the 9th meeting of the Customer Forum. Donald MacRae, Interim Chair of the Water Industry Commission for Scotland was in attendance as an observer.

Apologies

No apologies were received.

Declaration of conflicts of interest in relation to the agenda

No conflicts of interest were declared.

Minutes of the last meeting

Minutes were approved subject to minor amendment.

Actions

Actions were noted.

Oral update on recent activities

The Chair had written to Douglas Millican, CEO of Scottish Water, following on from the Performance Review meeting, drawing particular attention to service levels for the non-household sector and Licensed Providers. Scottish Water had responded and some further discussion will take place on wholesale KPIs.

The Chair had recently participated in a brainstorming event hosted by the Water Industry Commission for Scotland. This meeting gathered together key stakeholders to explore the SRC process going forward. This was an extremely interesting event and particular areas of interest were a discussion on the EU lead proposals and the implications this could have on Scottish Water's investment programme and priorities.

There was an emphasis that all participants, in the spirit of EBR, would be very keen to move away from bilateral discussions to multilateral discussions, with an indication this may be before the start of the 2021 period. There would be implications for all stakeholders, including the Forum if this were to happen and further thought was being given within the Commission and more widely. The opportunity to have everyone round a table in these discussions was helpful but the Forum needs to ensure that the customers voice is seen to be heard amongst the "professionals". There was also a discussion on the Output Monitoring Group and its membership. The Forum has no insight into the work of the OMG when it discusses matters which may have an impact on future charges and investment. This information would be helpful to the Forum in its discussions with Scottish Water. The Water Industry Commission is reviewing the role of the OMG going forward. The structure of the OMG may widen but details are still being discussed.

Agnes Robson, Mairi Macleod and Andrew Faulk had a follow up discussion on vulnerable consumers with CFU. This group will have a discussion with Scottish Water to gain a better understanding on facilities and services available to Scottish Water's vulnerable customers.

Update on the Fraser of Allander Report

The Chair welcomed Rebecca Millar from the CFU at Citizens Advice Scotland. The CFU provided an overview of the key findings of the Fraser of Allander Institute on affordability. The Forum noted this very helpful update providing background on affordability considerations for Scottish households. The work on this was a matter principally for the CFU and the long term charging groups as it represented matters relating to government policy. The Forum formally noted the report.

Apptivism demonstration

The Chair welcomed the Apptivism team, Scottish Water and CFU to the meeting for the pre-launch demonstration of the Apptivism app. Attendees were asked to participate in a test demonstration of the app and provided comments on how to improve the experience of using it. The Apptivism team took on board the feedback from participants and it was agreed that some further edits would be made to the product before the launch on 30 January.

Scottish Water (SW) – Performance Update on Licensed Providers KPS and complaint handling

Scottish Water provided an update on how it measures and improves services to Licensed Providers (LPs) and the non-household sector. The market has now been open in Scotland for nearly 10 years and has 27 LPs. The English retail market has been in place since April 2017 and although SW are able to compare performance against those wholesalers operating in England and Wales, SW will have to continue to improve their performance to ensure that they are the leader in the pack. SW annually survey LPs, at a detailed level, for feedback on the service provided by SW. This feedback enables SW to view where there is room for improvement and make changes. The Forum noted this update and commented that whilst improvements in the non-household sector and LPs has been made there is still room for further improvement, particularly in relation to updating the measures which had not been significantly revisited since the inception of the LP arrangements. The Forum agreed that it would be helpful to discuss this matter further in more detail with Scottish Water and a date will be sought for a meeting between representatives of the Forum and SW.

Strategic Projections

Scottish Water updated Forum members on the work they have been doing on the Strategic Projections. SW highlighted the structure and key elements of the revised projections, the business statement, set out their ambitions and plans for the future. SW explained the next steps and governance process with the revised draft of the projections and consultation approach which will be circulated to the SW Board, Customer Forum and WICS on 24 January. The Forum welcomed the continuing and now rapid evolution of the Strategic Projections, and the greater clarity and focus they were providing. The Forum offered a number of further suggestions on where the Projections might be further advanced, particularly around the key role of Scottish Water in the economic performance of Scotland; how, whenever legitimate, Scottish Water could offer thought and actions leadership in relation to carbon and environmental questions; and the ongoing need for priority setting against a backcloth where there would not be sufficient resources to meet all ambitions. The Forum also welcomed the greater clarity emerging around Scottish Water's recognition of the economic circumstances of many households and an ambition to not see prices rise in real terms, but to pursue ever greater efficiency and innovation as means to contributing to achieving this. The Forum noted that notwithstanding the welcome ambitions in relation to the last matter, there would be a great deal of discussion necessary around the question of prices within this emerging context.

Strategic Projections Consultation

Scottish Water outlined the 6 month programme for engagement on the Scottish Projections Consultation and took on board a range of comments from Forum members on how to engage with different audiences. The Forum were encouraged by the extent of SW ambition.

Closing remarks

The date of the next Forum meeting will be 8 Feb.