

AffinityWater

ICG Meeting Minutes 21st November 2022



Minutes of the Meeting of the Independent Challenge Group

Monday 21st November 2022 13:00 – 16:00 (Teams)

ICG members in attendance		
Caroline Warner	<i>Chair</i>	CW
Ana Maria Millan	<i>CCW</i>	AM
Jonathan Sellars	<i>Environment Agency</i>	JS
David Holden	<i>Independent</i>	DH
Anthony Smith	<i>Independent</i>	AS
Affinity Water members		
SL	<i>Interim CEO</i>	SL
LW	<i>Director of Regulation and Strategy</i>	LW
JB	<i>Director of Customer Experience & Technology</i>	JB
CC	<i>WRMP Community & Stakeholder lead</i>	CC
NS	<i>Customer Engagement Lead</i>	NS
AM	<i>PA (Minutes)</i>	AKM
MH	<i>Head of Economic Regulation</i>	MH
DY	<i>Asset Specialist</i>	DY
AJ (part)	<i>CSR Manager</i>	AJ
FR	<i>PR24 Stakeholder Engagement Manager</i>	FW
LS	<i>Head of Service Excellence and Transformation</i>	
ES	<i>PR24 Project Support</i>	ES
Apologies		
Bob Winnington	<i>Money Advice Liaison Group</i>	BW

Agenda Item	Minute	Action
1.0	Introduction	
	<p>CW thanked everyone for their responses to the ICG challenge questions. All agreed that they were comprehensive answers. There are a few questions that will require ongoing updates/responses.</p> <p>Request made by ICG to avoid using acronyms.</p> <p>Agreed that challenge questions could be published on a rolling basis, suggested quarterly, which should allow time for any gaps in questions to be completed. If there is anything confidential this could be considered prior to publishing with final sign off at the ICG.</p> <p>Publishing by subject matter is something to be considered in the future.</p> <p>CW provided update that following PR19 ICG's are currently in different places depending on the route companies chose to take following the mandate review. A review of all ICG's will be published in January 2023.</p>	
2.0	Update on ICG Arrangements	
	<p>LW/CG presented the new ICG ToR to Affinity Board in October which has been signed off.</p> <p>ICG website/logos and templates have been updated.</p> <p>ICG Subgroups –work to do for start of next year to review agenda items/topics for the two additional subgroups, Environmental and Customer Research. This will provide the opportunity to recruit an additional ICG member.</p> <p>AS asked how much work would be involved in subgroups without detracting from the main ICG Group. CW confirmed that detail of KLOE would be discussed in the sub-groups with fewer people and the sub-groups would then bring a summary to the main ICG.</p> <p>DH asked if we need to wait for new ICG member to be recruited prior to sub-groups commencing. CW confirmed that we did not need to wait as research timelines will be tight.</p>	CW/LW

	<p>Affordability and Acceptability Guidance</p> <p>Agreed that there will be a substantial role for the ICG. CC confirmed that there is a meeting this week with CCW/Ofwat to review more detail of the report.</p> <p>The draft suggests that there will be a qual and quant method used.</p> <p>Key issue will be sharing of information and co-ordinating with other water companies which is still being debated.</p> <p>ICG will be required to sign off on the company approach and will require a clear timetable detailing expectations.</p> <p>There will be two plans to consider – lowest cost plan, and investment extra plan.</p> <p>Vital to have time to discuss on future ICG agendas.</p> <p>TS asked if Affinity customers receive two separate bills and, within the research, is this being taken into account? SL confirmed that customers receive one bill that separates water/sewerage (sewerage collected on behalf of Thames/Anglian). Folkestone customers receive two bills Affinity/Southern Water.</p> <p>Customer bill impact is going to be essential. The guidelines are very prescriptive. CC agreed there is a lot of work to do, working with ICG, to share materials, agree process and gather input.</p> <p>CW suggested timetable to be available and agreed by end of the year.</p> <p>Important to consider how this is shared with Affinity Board members. LW confirmed that independent AW Non Execs are also keen to join ICG meetings moving forward.</p>	<p>LW</p> <p>LW/CC</p>
3.0	<p>Update on Website Development (included in ICG meeting pack)</p>	
	<p>Indicative website is live and will continue to be developed. Minutes etc will be standardised. ICG agreed the need for a clear link to the ICG section of the website.</p> <p>Microsoft Form – Emma to propose a Microsoft form example based on KLOE as a starting point.</p> <p>AS reiterated the importance of the website being based on consumer audience, to not only rely on Microsoft forms and allow</p>	<p>ES</p> <p>ES</p>

	<p>customers to feedback via any method they chose e.g. provide an email address. LW confirmed that this can be challenging as any contacts via email can be counted as complaints if content contains a dissatisfaction. Agreed that a customer survey option would avoid this being classed as contact.</p> <p>AM asked how will we let customers know about the website? LW said we need to be clear about the role of ICG and we do need to make customers aware. JB confirmed that this could be included in the new Affinity customer monthly newsletter. JB to circulate newsletters with ICG going forward.</p> <p>Drop down section of the ICG page relates to agreed KLOE. JS would be keen to expand on the environmental sections. CW happy to meet with JS to widen these to include additional environment aspects.</p> <p>US reiterated the importance of using terminology that customers understand e.g., does KLOE require further explanation, agreed to keep current KLOE on website as is, to get up and running, and that this can evolve over time.</p> <p>CW agreed that the ICG will be happy to assist with any media/communication plans and would welcome being included.</p>	<p>JB</p> <p>CW</p>
4.0	Update on PR24	
	<p>Forward view of programme shared prior to meeting.</p> <p>Key highlights, willingness to pay research material will be shared with ICG. Consultations - WRMP, WRSE, and WRE have also all been released.</p> <p>The Ofwat methodology refers to Open Challenge Sessions and Affinity are currently waiting to find out more information on these, but they will essentially be public meetings to be held virtually.</p> <p>What Customers Want – updated document available by end of this month and will be shared with the ICG and included on the January ICG agenda. AS queried the risk of having two narratives. CC confirmed that Affinity have worked with SIA partners to develop a process to assist with scoring research and that research work is weighted accordingly.</p> <p>Outcome Delivery Incentives Rates – work is underway (nationally) to gather values to inform these rates. Ofwat will provide provisional incident valuation mid-Dec with final valuations mid-Jan</p>	<p>CC</p> <p>CC/LW</p>

	<p>JS – asked where is Affinity with bespoke PC's? LW confirmed that these will be in the draft business plan. Affinity has limited bespoke PC'S from PR19 which will be narrowed even further. Keen to include abstractive incentive mechanism (AIM) and low pressure.</p> <p>Bespoke PC's will be shared with ICG.</p> <p>Final methodology due from Ofwat on 13th December 2022.</p> <p>WINEP draft to be sent to EA on 30th November.</p>	LW
6.0	Qualtrics	
	<p>Luke Sambridge joined the meeting. (Qualtrics detailed data shared with ICG prior to meeting).</p> <p>Since June Affinity have received over 20k survey responses for the three core surveys (following a Contact Centre phone interaction, a Field visit and visit to our website) and have analysed 282k calls. Fifty internal dashboards have been developed. There are 400 users, with 170 active users logging in every day.</p> <p>CW asked what ICG interaction would be required, either by direct access or could the platform be used to assist with evidence for ICG challenge questions?</p> <p>DH queried comparing with other company's data. LS confirmed that Affinity is the first water company to use this platform. It includes social listening function across multiple forums, the system feeds this information back and categorises which helps to compare with other companies' social media feeds. Qualtrics only benchmarks on the data that you have but it does give an indication.</p> <p>AW also uses other data sources e.g., Water Matters.</p> <p>AS asked if Qualtrics can provide anonymised data on other customer management providers? LS confirmed that they can but at a cost.</p> <p>AS asked what does the data tells us and what is being done differently as a result. LS confirmed that it tells us exactly what customers think of our service e.g., does not ask a specific question it asks what is wrong. Affinity have used the data to hold performance meetings and assist with multiple process improvements.</p> <p>ICG would like to see further success stories going forward where data has driven a positive outcome.</p>	JB/LS

	<p>Could be useful for Qualtrics to assist with ICG in identifying questions. LS agreed that a dashboard could be created that demonstrates customers overall experience which can be shared with ICG and could result in deep dive ICG sessions on key indicators. LS to circulate the Executive Management dashboard that has already been created.</p> <p>Structured overview requirements - CW to support LS on what ICG would like to see and additional deep dives to be considered for ICG subgroup meetings.</p>	<p>LS</p> <p>CW/LS</p>
7.0	KLOE	
	<p>Review an area that is important to customers e.g., complaints, response time, telephone queue waiting times, satisfactory interactions.</p> <p>Complaints - CCW HH Written Complaints Report – additional data shared with ICG prior to meeting.</p> <p>LS confirmed that there has been an overview of the complaints process which has resulted in a reduction in customers going escalating to CCW.</p> <p>Interested in how long is too long for a customer to wait? ICG will include in their challenge questions along with what is Affinity's average call answering time. It is important to also measure how long customers would wait based on what the call is about and Affinity's ability to resolve the query. ICG to compile a list of any additional questions around call handling.</p> <p>CCW Written Complaints report - LS confirmed that the report is based on any nonverbal communication.</p> <p>DH queried complaints relating to the metering programme. LS confirmed that this is a compulsory programme and, that with an increase in meters being installed, Affinity has seen an increase in complaints. Being a compulsory programme can cause an adverse reaction. As a result, Affinity is constantly reviewing the quality of metering installations and its communication/engagement with customers e.g., notice of installation and additional explanations to assist with customer understanding.</p> <p>LS explained the CCW direct reply methodology and why this is being contested. The Affinity below average score incorporates complaints to CCW, including "direct replies" which accounted for 80% of the contacts that CCW received by Affinity Water Customers. Affinity believe these "direct replies" should be removed as CCW see</p>	<p>CW</p>

	<p>that no further action on their behalf is required or the customer only requires CCW advice on the issue rather than a more direct help.</p> <p>CW Will include additional complaints performance questions in the ICG challenge questions. All agreed it would be useful for a further deep dive Subgroup on complaints and metering.</p>	
8.0	EIP Gate 1 Formal Sign Off	
	<p>Additional briefing papers previously circulated to the ICG.</p> <p>ICG confirmed approval of scope (Gate 1) and the business case (Gate 2) for delivering the two Environmental Innovation Projects (EIPs)</p> <ul style="list-style-type: none"> • Targeted campaign (Wey) • Targeted campaign (Brett) <p>JS queried how many people will be reached by using Surrey/Essex Wildlife Trust as a conduit to comment and convey messages using their communication channels?</p> <p>LW confirmed that Smart Metering trial is not currently scheduled for Brett and Wey.</p> <p>Full recap/update on the Save Our Streams campaign requested by ICG</p> <p>Part of the EIP assessment process will be to review what worked and what did not work in community engagement?</p> <p>Progressive Tariffs. LW confirmed that there has been further engagement with Ofwat and there is an industry wide meeting at the end of this week. Hopefully, this would tie in with timescales for some future EIP projects.</p>	<p>LW</p> <p>LW</p>
9.0	AOB	



I confirm that the Minutes of the ICG November 2022 Meeting are a true and accurate record of the business discussed and agreed.

ICG Chair

Signature:

[Redacted Signature]

Caroline Warner

Date: 19/12/2022

AWL Director of Regulation and Strategy

Signature:

[Redacted Signature]

Liv Walton

Date: 19/12/2022