



MINUTES of the Customer Challenge Group

Microsoft Teams

On 17 May 2024, 09:45am – 4:00pm

Present:

Sukhvinder Kaur-Stubbs	Chair of Customer Challenge Group	SK-S
Jeremy Crook OBE	Action for Race Equality	JC
Monica Wilson	Department of Education	MW
Nisha Arora	Financial Conduct Authority	NA
David Brindle	Ambient Support	DB
Peter Daw	Greater London Authority	PD
Councillor Adam Jogee	Haringey Local Authority	AJ
Catherine Jones	CCW	CJ
Dr Charlotte Duke	London Economics	CD

Thames Water:

Caroline Murdoch	Director of External Communications	CM
Jonathan Read	Director of Regulatory Policy and Investigations	JR
Mariana Simpson	Regulatory Engagement Manager	MS

External guests:

Ann Bishop	Indepen	AB
Ashleye Gunn	Indepen	AG

Apologies:

Councillor Dr Pete Sudbury	Oxfordshire County Council	PS
Baroness Grey-Thompson DBE, DL	Chair of Sport Wales	BGT
Sarah Powell	Environment Agency	SP

Agenda Item No.		Action
1.	Sector review with Indepen	
	<p>Following introductions, SKS set out the purpose of the day include setting out expectations of TW as well agreeing how does CCG hold them TW to account and how CCG demonstrate that they are continuing to add value. Opportunities and challenges remain around net zero, behaviour changes and performance.</p> <p>AB provided an insight into the Indepen report and suggested that there is an opportunity to widen the role of ICGs (including TW CCG) work with wider stakeholders as well as policy makers. One of the overarching recommendations are for the ICGs (CCGs) to be mandated for water companies.</p>	

	<p>AG summarised background, reminding CCG that while Ofwat did not mandate ICGs in PR24 to provide companies with an opportunity to innovate, most companies have kept ICGs in some form. However, the groups varied in size / scope,</p> <p>CCW commissioned two part review of ICGs, with the first focused on structure and to evaluate arrangements against water industry challenges. This showed a high disparity between the groups and highlighted the fact that with ICGs not being mandated, it is up to the company how much they will engage.</p> <p>Moving to the second review, AG shared a summary of recommendation which include:</p> <ul style="list-style-type: none"> • to mandate ICGs and make company Boards accountable • Regulators to used ICGs as external experts • ICGs to use best practice guidance <p>It was noted that currently is not clear what Ofwat will do with the recommendations.</p> <p>Cross checking proposed framework with TW CCG forward plan (focusing on things such as Business Plan & deliverability; Customer Engagement; How companies communicate respond to customers' issues; behaviour change), AB and AG thought that it fits well with the proposed recommendations.</p> <p>AB suggested that to stretch the value which TW CCG could add would be by looking at questions such as:</p> <ul style="list-style-type: none"> • Is there a trust being build with the teams – does the company welcome uncomfortable challenge. • Governance – are all documents including TOR up to date. • Does the company provide information that the company need / including regulatory outputs (Does CCG need more direct connection with regulators) <p>Discussion focused on the proposed recommendations and the likelihood of Ofwat mandating ICGs for the future, opportunities within the forward plan such as behaviour change, with CCG acknowledging that customer does plan important role.</p>	
2.	Managing TW communications	
	<p>CM shared with CCG an update on recent media interest and noted that TW continue to dominate the headlines despite of other companies facing serious issues.</p> <p>CM reminded CCG of TW corporate communication strategy and highlighted that despite the challenging context and mainly negative press, a number of positive news stories covering local investment, promoting Priority Service Register etc have been published.</p> <p>CM noted that TW are improving in some areas such as incident comms where the more customer focused and proactive approach is a recent step change.</p>	

	<p>Looking ahead, CM highlighted a number of key moments over the next 8 months that present both opportunity and risk, ranging from upcoming elections, PR24 Draft and Final Determinations, Henley Regatta – river health, to name a few.</p> <p>Focus on more local communication using all types of channels such as Facebook help to connect with customers on their local issues.</p> <p>CCG thought that looking at the plans and strategy feels disconnected from the current situation; suggesting that more proactive comms could focus on issues such as climate change, encouraging customers to reduce their water consumption, or opportunities for more positive news around TTT.</p> <p>Further discussion focused on the difference between Corporate Comms and Customer Comms, with CM highlighting that her team is responsible for the Corporate Comms and works proactively with other teams across the business – incident comms being a one key example. CCG raised concerns linked to the Customer Licence Conditions and the importance of seeing line of sight from corporate comms through to customer comms.</p> <p>Final part of discussion focused desired tone of voice across the communication, with CM explaining that the team strive for human, short warm and easy to understand by all audience.</p>	
3.	Climate change	
	<p>PD facilitated CCG discussion on Climate Change focusing on three key areas (below), exploring a number of questions and suggested outcomes.</p> <ul style="list-style-type: none"> • Governance and Responsibility • Planning for Climate Change • Communicating to Customers <p>Throughout the discussion CCG raised a number of points including importance of consistent messaging to all interested stakeholders; dependencies across various plans (e.g. DD); an opportunity for CCG to plan strong role in supporting customers comms which is understandable customers etc.</p> <p>It was noted that planning requirements evolved over number of years, with some Climate Change being included as a priority while at others it is not as evident.</p> <p>As a part of the discussion CCG suggested to look at cost benefit analysis and review where can CCG leverage their views, whether it is directly with the TW Board or Ofwat.</p> <p>Action: Forward plan to include session with Chair of Climate Change working group (Scheduled for 19th July 2024)</p>	
4.	Turnaround and operational performance	
	<p>DB facilitated session on Turnaround and operational performance focusing on two key questions:</p> <ul style="list-style-type: none"> • Are CCG comfortable with potentially narrowing down turnaround plan priorities? • Should TW focus more on behaviour change? 	

	<p>Through the discussion CCG explored the best way to reconcile the information they received including TAP2, CEO's priorities, performance reports, Business Plan and longer term plans. CCG thought there should be a bigger alignment. It was noted that CCG expect full, timely and comparable updates on turnaround and operational performance.</p> <p>CCG felt there is currently not enough focus on Customer stewardship and behaviour change and would like to see the company make it higher priority.</p> <p>CCG also discussed the options on how best to represent their views to the TW Board. The engagement options included:</p> <ul style="list-style-type: none"> • Feedback to the CEO at July meeting • CCG Chair and Vice Chair attending the TW Board • Letters to the TW Board and Ofwat • Open invitation to TW Board members to attend future CCG meetings 	
5.	Customer Licence	
	<p>NA with support from CD and JE outlined the context and background to licence condition noting the proposed outcomes and principles of customer care, including what this means for TW and how it links to the CCG's lines of enquiries and wider CCG work. The CCG was in agreement with the key lines of enquiry previously discussed.</p> <p>Key part of discussion focused on CCW's future measure linking to Incident Management and company sharing information and learnings. It was noted that Ofwat and CCW commissioned research into Incidents which report will be available late June.</p> <p>Looking at the wider CCG work, CCG asked for an update on overall customer engagement as it is linked to the customer licence.</p> <p>Action: Customer engagement programme to be added to forward plan (scheduled for 14 June)</p> <p>Key questions to be explored in the future include:</p> <ul style="list-style-type: none"> • How sighted is the TW Board of all of the compliance with the customer licence, in particular how TW is ensuring that the CLC is embedded and understood across all TW functions and is using data to identify gaps and monitor progress. • Overall responsibility for approval of the external policy. • Whether TW's customer research programme supports understanding of needs and wants of diverse customer base 	
6.	Planning for response to DD	
	<p>JR provided a short update on the PR24 process, noting plans for upcoming Draft Determination and proposed CCG engagement through the period leading to the response, as well as suggested key focus areas for the CCG. [Note: Subsequent to the meeting on 17 May Ofwat announced that the Draft Determinations would be published on July 11]</p>	
7.	Reflection and conclusions	
	<p>CCG members reflected on the day and shared their key takeaways. All additional actions / topics will be added to the forward plan and responded to due course.</p>	

9.	AOB	
	Next CCG meeting on 14 June 2024	