

From: Peaches Golding
To: [Water2020](#)
Subject: Outcomes Consultation
Date: 31 January 2017 16:25:47

Dear Ofwat

Response to Ofwat PR19 Framework

The Bristol Water Challenge Panel, the Customer Challenge Group (CCG) for Bristol Water, plays a key role in assuring Ofwat that the voice of the customer will be reflected in the 2020-2025 business plan for Bristol Water and that customers can trust and have confidence in the company. We welcome the current availability of comparative information through the Discover Water dashboard, CCW reports and other means as a way of assessing the performance of the company within its industry. We also highlight that it is outside the remit of the CCG to set policy. Hence our comments refer to areas where additional information from Ofwat will facilitate the work of the Challenge Panel.

The introduction of common performance commitments in PR19 is welcomed as customers will be able to have a greater understanding of how the company is performing within its sector and provide an opportunity for the company to set out a clear context for its performance. As such, common performance commitments could enable a more informed dialogue between customers and the company and could facilitate the work of our Challenge Panel. We also note that proposed improvements to operational and cost of debt information will be made available to customers and CCGs.

As a Panel, we would welcome a range of examples of what Ofwat sees as good customer engagement so that our Panel is clear about the minimum standards of challenge, evidence obtained and desired outcome. We anticipate that such examples will include for example areas with high vulnerable populations, areas with varying amounts of urban and rural populations, water constrained areas and more. Furthermore, given that no company will have a national view in respect of common ODIs, it is unclear how differences in views on priorities between local customers and UK customers will be resolved. A further development on this aspect of business planning would be beneficial.

Regarding asset health and other resilience measures, we welcome the commitment to longer-term projections and note that this may well increase corporate investment in a number of ways. Therefore, with regard to cost of capital or debt and information that Ofwat proposes to provide, it would be helpful to have examples relating to companies with a range of debt scenarios including, for example, shorter to longer term bonds, differences in interest rates for historic debt, changes in the availability of capital due to the UK leaving the European Union as well as a range of capital investment scenarios based on, for example, the percentage in single source supply, assets at risk of flood damage, percentage of pipes requiring upgrading/replacement. The more interactive this tool, the better CCGs will be able to exercise their proposed role.

Thank you in advance for considering the points we raise in this email.

Yours sincerely

Mrs Peaches Golding OBE

Chair

Bristol Water Challenge Panel

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>
