



## **Out in the Cold Response**

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Affinity Water

September 2018

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# 1 Executive Summary

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On 19 June 2018 OFWAT published the findings of their review into water supply issues that followed the 'Beast from the East'. Their review identified many opportunities for the industry to improve and was issued alongside a letter to each water company setting out specific Company feedback. We welcome Ofwat's overall assessment that Affinity Water "[largely met its customers' expectations](#)" and equally support their view that there are "[still gaps and room for improvement](#)". This paper sets out our response to these findings and learnings from internal debriefs and previous weather events within the industry. These fall into four packages of work:

- Planning and Preparation – actions that ensure our people, assets and communications are in place and are to respond
- Incident Response – actions that ensure we use data in real time to direct our teams and execute our plans to minimise disruption
- Customer Communications – actions that will allow targeted and timely communications before, during and after each event
- Resilience – actions we have identified to make our water supplies more robust now and in the future

We have already completed several high priority actions which include:

- Increasing the resilience of our water supplies to our customers in the Arkley area, our only affected area during the freeze thaw.
- Created new teams focused around keeping water supplies on, a new Network Control Desk and a Water Restoration team
- Implemented new systems changes to ensure we can use real time asset and customer data

Other actions in progress include:

- Increasing numbers of customers on our priority services register so more customers can benefit from the new services we will offer our vulnerable customers during weather events
- Better segregation of customer groups to allow us to provide more effective communication to different types of water user
- More robust processes for engaging the retailers and non-household customers we serve so we can identify and resolve those with issues more quickly

Our Executive Management Team and Board are fully supportive of the actions set out above and the role they play in assuring their delivery so that our customers are better served during future severe weather events.

## 2 Introduction

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The purpose of this paper is to set out our response to the learnings identified by Ofwat, the DWI, the CCW and others following the extreme weather event experienced during late February and early March 2018, the so called “Beast from the East”. This was the most significant spell of snow and low temperatures for the UK overall since December 2010.

The severe weather event was followed by a rapid increase in temperature over the weekend of the third and fourth of March resulting in a thaw across our operating area. The sustained temperatures below freezing and the subsequent thawing caused an increase in burst mains on our network and leaks appeared on consumer supplies and internal plumbing systems.

Whilst our preparedness for the winter period and our subsequent execution of our operational, customer and emergency plans meant that very few customers were affected, a small number were, and we are committed to performing better in future events.

During April 2018, we, along with all other water companies, submitted a report that set out:

- The cause of the water supply issues;
- How we prepared ahead of the severe weather event;
- How customers were supported, particularly those in vulnerable circumstances;
- How household and non-household were communicated to;
- The adequacy of compensation paid to affected customers.

A copy of our full response to those areas can be found on Ofwat’s website. This document sets out our response to the following five key areas in Ofwat’s review of our initial report:

- Planning and Preparation
- Incident Response
- Communication with Customers and Stakeholders
- Vulnerable Customers
- Compensation

In each section, we reflect on our performance and set out the actions already taken and others which are in progress to address the feedback provided specifically to us and to the industry as a whole.

Since the freeze/thaw the UK has experienced another extraordinary weather period with the longest hot and dry period for nearly 100 years. Despite very different conditions, this period provided similar challenges to the freeze/thaw with demand peaking at record high levels. During the winter event the demand increases were caused by leakage increases and resolved within

approximately 6 days. During the summer period, we saw higher demand increases caused by both usage and leakage and these lasted 7 weeks. Despite the prolonged stress on water sources and storage levels there has been very little customer impact and no significant 'no water' events. This is testament to the actions we have already taken since the winter event. Figure 1 below shows the impact of both events on distribution input.

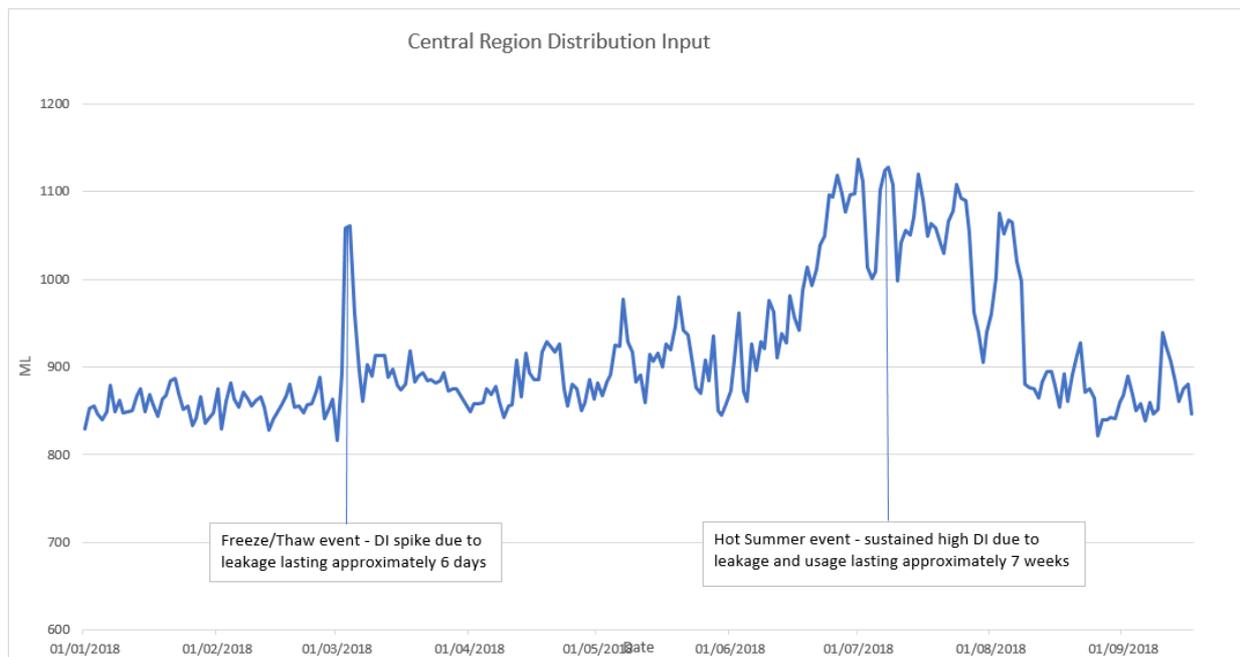


Figure 1. Distribution Input graph for Affinity Water Central communities 2018

## 3 Planning and Preparation

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We place significant emphasis on the importance of planning and preparing for extraordinary events that may challenge our ability to meet our customers' expectations and we were pleased with Ofwat's comments on our performance in this regard.

In line with our procedures following an incident we have held a series of debrief events to capture learning across our teams. These sessions, which extended to our supply chain, have enabled us to gain valuable insight into how we can improve based on our own learning and learning from other companies with which our suppliers work.

We have also been actively engaged in the Water UK led sessions since the event and have an active role on the steering group. We have heavily promoted the concept of a new 'Water Strategy Group' which has now been created through Water UK. This new group has been established to sit alongside the existing working groups that are more technically focused. The terms of reference set out that representatives would be at Operations Director level, or higher, to ensure that decisions can be made. The group's focus is on identifying common challenges across the industry and shared learning for the greater good of the customers we serve.

### 3.1 Emergency Planning

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We have a robust and well-established emergency structure and set of plans for dealing with unplanned events. We were pleased that these were recognised in Ofwat's review - ["With an established Gold command structure and Executive oversight of planning and preparations, Affinity Water exhibited good planning practice."](#) Since the freeze/thaw event we have reviewed these plans and have made some key changes including:

- Replacement of the Supply Manager role with a new Bronze Supply Controller role within the Emergency Response Team to make it part of the core response team
- Formalise the new Bronze Network Controller role created during the freeze/thaw event to give specific focus on infrastructure related activities within the Emergency Response Team
- Extension of the scope of the Operations Contact Centre Manager role to include ownership of communication with Retailers and Non-Household customers – one of the issues we faced was being unable to contact non-household customers to resolve their customer side leakage out of hours
- Increase in the number of specialist roles available on standby e.g. Cyber Security experts available to act in a Bronze level IT Controller capacity
- Establishing the Task Manager standby role as a permanent role within the Emergency Response Team (previously a volunteer basis) to coordinate key activities such as the distribution of alternative water supplies

We will also be updating our Event and Incident Plans to ensure they are suitable to manage issues that require careful coordination but do not necessarily meet Emergency Plan triggers.

We welcome the feedback that our “[emergency response was collaborative](#)” but we know we can do more to minimise customer impact by ensuring we fully understand how our emergency plans integrate with other companies’ plans so that they can be executed fully and effectively. We are committed to working closely with our Local Resilience Forums (LRFs) and have identified opportunities to work more closely with specialist voluntary organisations such as the Red Cross as others in the industry do.

We have good working relationships with our neighbouring water companies with whom we import and export water. During the event and again during the hot weather event we demonstrated collaborative methods of working to ensure we collectively meet our customers’ needs. We have plans to further share points of interconnectivity to improve local network resilience e.g. in Arkley where we have limited rezone options at the end of our network.

“[Regular staff training and testing of Affinity Water’s emergency response capability are also positive points](#)” – Ensuring our teams are confident to execute our emergency plans is a key part of our preparedness approach. Our plans were again tested during the prolonged hot/dry weather in July and August 2018 and will be updated as part of our continual improvement cycle. We will complete a series of targeted refresher courses ahead of the winter period to raise awareness of the changes made. One of the key outputs of these training sessions will be formalised training for our team of volunteers.

Our contingency plans are being continually reviewed and added to. They are held in a central Asset Information Centre (AIC), a dedicate Sharepoint site, that can be accessed by teams to inform plans for planned and unplanned outages.

To ensure these actions are co-ordinated we have separated our previously Physical Security and Resilience Manager role and appointed new dedicated Emergency Planning Co-ordinator and Physical Manager roels during September 2018. This will ensure we have dedicated focus on both important areas.

## 3.2 Our Control vision

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Oswat questioned our “[incorporation of pressure loggers in system management](#)”. We are investing in our Control Vision programme to help us manage our 16,000km of pipes, booster stations and service reservoirs. This includes our Situational Awareness software integration of spatial and operational tools. We have recently installed over 650 new real time pressure loggers in all leakage zones to retrieve pressure data every 15 minutes in addition to 2,100 flow and pressure loggers. In January 2018, we extended our existing Control Operations team to include a new Network Control Desk. Its primary role is to proactively monitor our network telemetry and take predictive action to minimise customer disruption. These actions have been pivotal to our interruptions to supply improvement plan which has resulted in significant improvements to our performance.

We have now developed the first phase of our situational awareness (SA) tool which will go live during September. This provides the platform for the data described above to be viewed and analysed. We will continue to develop the system throughout AMP6.

These plans were again tested during September when we successfully responded to multiple trunk main bursts out of hours. The Network Control Desk played an important role of providing the Emergency Response Team with up to date supply information to enable focused and informed decision making.

### 3.3 Weather Planning

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Whilst this review focuses on the severe cold weather we recognise that weather risks can be varied and often materialise concurrently e.g. strong winds along with heavy rain or snowfall. We are currently reviewing our winter readiness plans to ensure we have appropriate triggers and action plans in place for any severe weather event. The new plan will be in place by mid-November and detail, in one place, our plans for our;

- People (including safety and wellbeing)
  - PPE
  - Safety alerts and toolbox talks
  - Resource planning
- Assets
  - Generator checks
  - Trace heating
  - Heating
  - Key equipment checks
  - Flood defence checks
- Sites
  - Flood defence sites
  - Gritting
  - Access/egress plans
  - Critical site checks
  - Contingency plans for loss of sites
- Customer and stakeholder communications (including media)
  - Proactive campaigns i.e. locate stop tap, lagging, winter preparedness
  - Targeted campaigns for different user groups i.e. farmers, caravan parks
  - Engagement with other water companies and LRFs
- Alternative water supplies
  - Increased bottled water stores
  - Early notification to supply chain
  - Winter checks for drop off points

The plan will have clear definitions of how each weather event is monitored, triggered and subsequently escalated.

We collect data from a range of sources including the temperature of river water, air temperature at 20 weather stations and data from the Met Office to predict bad weather events. Monitoring weather conditions and taking appropriate steps to mitigate the impacts of severe weather are business as usual activities.

These outputs feed the different leadership calls already in place and those escalated weather calls that would be triggered. Our existing weekly standby call, chaired by the on-call emergency controller (silver), has been supplemented by thrice weekly leadership calls to review the weather forecasts and the need to trigger the different steps of these weather plans.

We support the idea of Water UK fulfilling an industry wide risk monitoring role and have committed to work with Water UK to develop the principles behind this.

### 3.4 Alternative Water Planning

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Our customers rightly expect an uninterrupted water supply and if that fails they expect to be provided an alternative water supply.

Whilst our “[Alternative supply procedure is well established](#)” we are committed to doing more to address this gap in our performance with multiple alternative water supply options. These will be captured in an updated Alternative Water Supply Strategy ahead of winter 2018/2019. This strategy will include earlier trigger points for alerting our alternative water provider and internal stock levels.

Since the freeze/thaw event we have extended the working hours of our newly formed Supply Restoration Team to 24/7/365. The new team is focused on working alongside our repair teams to restore supplies using innovative solutions including pumped supplies from Arlington tanks, creating overland networks using pre-chlorinated pipework and working with our suppliers to use water tankers for network and reservoir/tower infusions.

Another area of focus is on the more traditional provision of bottled water. We held a debrief session with our supplier, Water Direct, and have obtained reassurance from them that they can meet our requirements at all times. We have re-tendered this service following the winter and summer events and as a result significantly increased the volume of guaranteed water held. We have also agreed that Water Direct will deliver extensive training on how we establish and manage our bottled water stations during a “loss of supply” event. To strengthen our resilience in this area our weather plans will be updated with enhanced stock holding levels of bottled water ahead of high risk periods.

To ensure that alternative water supply gets the focus it needs during an incident we will formalise the Task Manager role on standby and have procured a new state of the art welfare and incident management vehicle to aid the preparations and execution of alternative water supplies on site.

## 3.5 Supply Chain Collaboration

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Our supply chain partners mostly performed exceptionally well during the freeze/thaw event and have shown equal commitment during the summer period. Their feedback has formed a key part of our learning following this event.

We will shortly be going to market for our Repair and Maintenance activities. The transition to a new partnership will be used an opportunity to review the responses that we need from our Suppliers during an emergency event.

We completed the roll out of our new bespoke works management system, Maximo, during July 2018 and will further improve the capabilities of the system in September 2018. This will allow us for the first time to use a single system to complete all stages of a repair and maintenance activity which, in turn, gives us great ability to keep customers informed through the job lifecycle from first contact through to resolution. Having all work completed on one system will enable the benefits to be realised from our Situational Awareness Tool now in place in our Control Operations Centre by having live access to people and work locations.

We recognise that our emergency recovery plans cannot rest solely with increases in resource from the supply chain, as other companies are likely to be using the same suppliers at the same time. We are managing this risk in two ways. Firstly, we have completed the insourcing within key business areas including leakage detection and project management. We also took the decision to recruit our Restoration Team from within our own Direct Labour (DLO) teams. The second mitigation will be to formalise how we engage our existing suppliers, alongside our internal teams, to complete activities during an emergency. Whilst our supply chain did show flexibility to meet these demands, we recognise that there are opportunities to increase resilience in key areas including large and/or complex bursts, specialist materials e.g. large GRP pipes on treatment sites and access to specialist equipment.

## 3.6 Long-term Resilience

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Delivering long-term resilience is a key theme in our PR19 business plan. We recognise that, despite the recent weather events being extreme, the challenges will only be made harder with increased population and climate change. We are committed to responding to those challenges for the benefit of the customers we serve and the environment in which we operate, and we see this as our responsibility for future generations.

Some of the highlights from our plan that will ensure we are well placed to protect supplies to our customers now and into the future include:

- Innovative demand management options based on real-time consumption data to reduce consumption by 2025
- Completion of our water saving programme giving us greater coverage of AMR meters that can send leakage alarms to identify customer side leakage more quickly and advise customers of usage compared to larger averages
- Reducing leakage by 15% on top of the predicted 14% reduction in AMP6 (industry average 4% in same period)

- Reduce average consumption from 147 to 129 litres per person per day.
- Continue leading the regional coordination of water resources in the South East
- Deliver our 'Supply 2040' strategic plan to enable us to move water freely around our central region
- Conditioning treatment of our supply from Anglian Water, enabling us to move water freely around our Central Region
- Planning for development of a new regional reservoir working with Thames Water

Our investments will unlock the potential for our supply area to act as a transfer hub for the South East of England providing the foundation for future water trading and long term regional supply and environmental resilience. We will continue our work with Water Resources in the South East (WRSE) and Water Resources East (WRE) and will share our activity based costing model with other companies in the WRSE to promote transparency of cost of water transfers, which we believe is essential for water transfer arrangements.

## 4 Incident Response

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We were pleased that Ofwat recognised that our “incident management plan and structures were clearly in place”. It was also noted that “it is not clear if this plan was specific to a thaw incident”. Our Incident and Emergency Plans are designed to facilitate an effective return to business as usual regardless of the type of incident. We have more detailed functional level plans that sit beneath these higher-level emergency plans. These plans set out specific responses to issues such as, in this instance, winter weather.

### 4.1 Execution of the Plan

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A key part of our debrief sessions was to review how well we were able to execute our plans and to identify areas where we could have done so more effectively. These reviews reaffirmed our ability to use our robust emergency plans to coordinate our response. They were further tested during the hot weather period and again proved effective with minimal customer impact. Key to the success over the summer period was our agility to modify our plans to react to the emerging supply risks. We therefore welcomed Ofwat’s recognition that “The modification of the incident response plan demonstrated planning flexibility, maximising water availability.”

We have reviewed the timeliness of the involvement of our Executive Team and Board. We have concluded that these were satisfactory during both the winter and summer events but will be increasing our communication of our weather prediction outputs further in future winter periods to ensure our Leadership teams have further opportunity to scrutinise our plans and ensure they are appropriate to the risks being faced.

### 4.2 Minimising Supply Interruptions

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We have achieved 86% of our performance commitments that we set to achieve in our ambitious AMP6 business plan. Supply interruption is one area where we have failed to deliver the challenging performance commitments. In particular, our customers in the Barnet area have suffered several supply interruptions during this period and did so during the freeze/thaw event, due largely to an unplanned outage on a 20” trunk main (Figure 2) that supplies water to the Arkley area – “maintenance works on a key trunk mains also inhibited contingency plans.”



Figure 2 A photo of the 20" burst main repair supplying the Barnet/Arkley area during the freeze event

Following the freeze/thaw event we met with MPs for the affected areas to explain the root causes for the disruption customers had experienced. We also hosted a public meeting with the MP for Enfield Southgate, the MP for Chipping Barnet, the MP for Epping Forest, the AM for Barnet and Camden and their constituents to apologise in person and make them aware of the changes we have made to make their supply more resilient moving forward. These updates included:

- Reconfiguration of our system to provide improved pressures so reducing the risk of air locking when reservoir levels are lower and the installation of air valves to improve air flow management.
- Installation of new control valves throughout the trunk main system to allow customer impact to be significantly reduced depending on the location of any unplanned asset failure.
- Installation of two new inter-zone transfer connections that allow water to be fed into the Cockfosters Tower zone if normal supply is interrupted.
- Increased telemetry points across the infra and non-infra assets that supply water to this critical area at the end of our network leading to increased monitoring of the network especially during potential extreme weather events.
- Replacement of 150m of the highest risk section of the trunk main that failed ahead of the freeze/thaw event (see figure 2 above)
- Future connection from Thames Water to mitigate against a burst on a single 15" pipe into the zone
- Updated contingency plans and training for our operational teams following the above modifications to facilitate an effective response

These plans (except the future connection with Thames) were well tested during the summer period with sustained high demand but no customer impact.

During the last 12 months, we have invested significantly in our people, equipment, processes and systems helping us achieve, excluding the freeze/thaw event, 12 months without a significant no water event. Our property minute measure at the end of August was below 3 minutes.

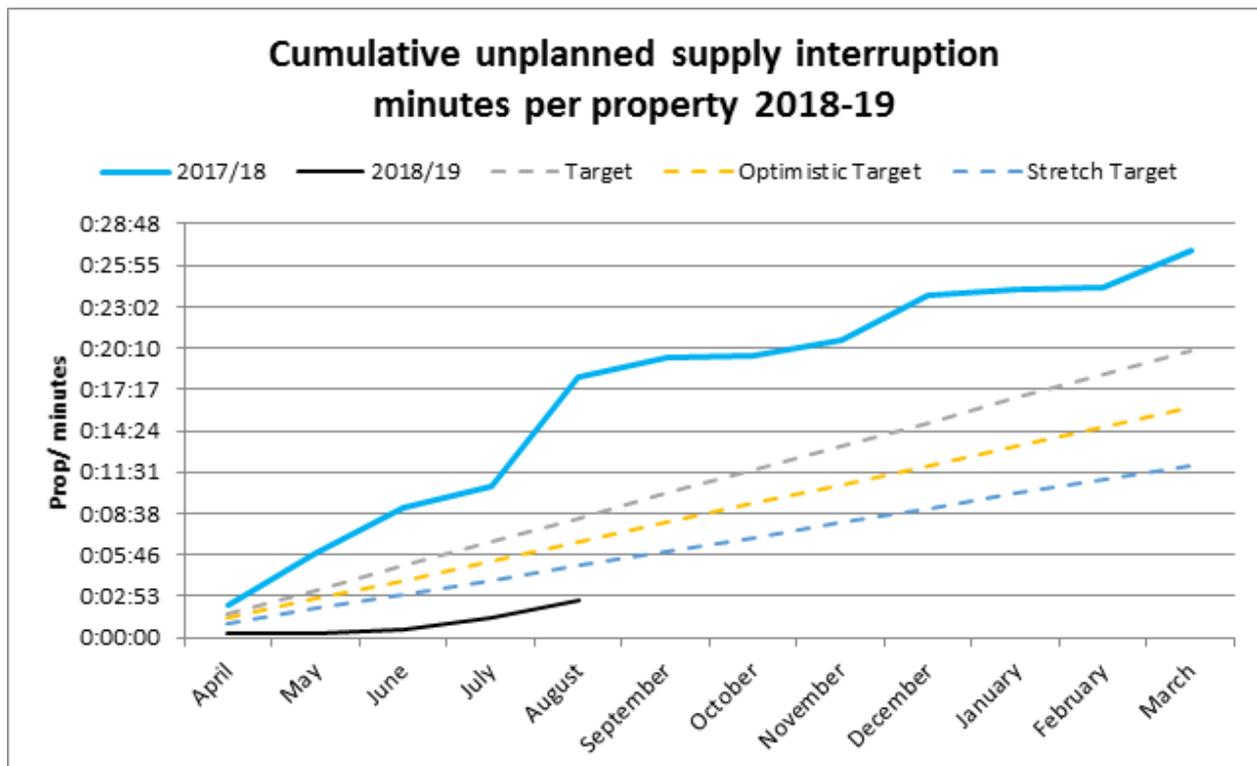


Figure 3 Cumulative unplanned interruption minutes per property 2017/2018 and 2018/2019

### 4.3 Leakage Recovery

We have achieved our ambitious leakage targets in each of the three years of AMP6 to date. Our ability to target the right leakage areas was a key positive which our teams identified in their wash-up sessions and it was well received that Ofwat also acknowledged this - ["The use of a leakage monitoring system and the deployment of detection and repair teams minimised response times to the mains bursts, and resulted in the significant minimisation of underlying leakage."](#)

Critical to this success was the collaboration between our new Network Control Desk and the Network Bronze Controller role that we established during the incident. Our Control Desk was able to provide updates throughout the freeze/thaw event on priority areas. This helped us achieve our strategic mission statement during the incident "to protect reservoir levels to maintain customer supplies". We targeted these priority areas for leakage rather than focus on higher levels of leakage in less strategic areas.

Our investment in 20,000 acoustic loggers and the use of our Waternet leakage system meant we were able to analyse leakage details at District Meter Area (DMA) level and provide our detection resources with points of high risk.

We have adopted this same strategy across the summer and it will remain in place through the winter period. To bolster our response further we will be increasing resources in both detection and repair activities.

Customer side leakage contributed significantly to the increased demand for water. Key to our rapid recovery was identifying large volume losses on non-household meters and our approach to repairing customer side leakage free of charge. Our response, like many other water companies, was made more challenging as many customers were not contactable as they had closed either for the weekend or due to the weather. Using the weather warnings to trigger proactive communication to Retailers and customers is therefore a key learning that is now part of our business as usual processes.

## 5 Communication with Customers and Stakeholders

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We used many channels to communicate with customers before and during the freeze/thaw event and this was generally effective.

We know how critical it is to ensure customers and stakeholders are kept informed during incidents, especially when water supplies are impacted and customers do not have access to this vital public health service. We place significant emphasis on meeting the needs of customers who may have specific circumstances that make them vulnerable or more dependent on the level of service we offer. We dedicate two members of our Emergency Response Team (ERT) to managing customer relationships: the Operations Contact Manager covers both household and non-household liaison and the External Relations Manager ensures key stakeholders (MPs, schools, Local Authorities etc.) are informed. Having a direct link to the Emergency Controller (silver command) ensures prompt decision-making and action.

It is clear though, from Ofwat's assessment that there is room for improvement and our own reviews drew similar conclusions to the CCW research that, like others in the industry, our communications could have been more targeted and helpful. We acknowledge others in the industry did more to proactively communicate with customers ahead of the winter event and we have taken steps to address that this summer.

We will be doing more to ensure that the information our different customer and stakeholder groups need is in a format that is easy to understand. We found that at the public meetings we held and with meetings with MPs they were much more informed when we used a balance of visual aids to support the written narrative we had provided. We will place greater emphasis on using visual aids such as maps of affected areas from our Geographical Information Systems (GIS) or schematics of how water is supplied to different areas instead of lists of post codes for example.

We have identified actions for four broad groups; household customers; non-household customers; and external stakeholders are covered in this section, we cover our vulnerable customer action plan in the following section.

### 5.1 Household Customers

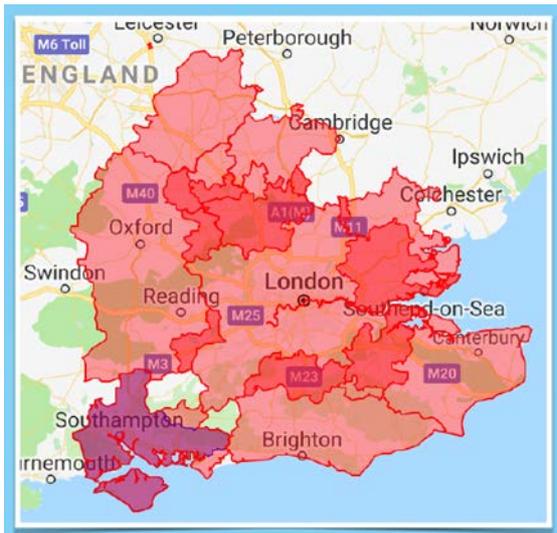
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We are striving to become a more insight driven business where data is collected and analysed seamlessly, enabling us to better understand the customers and communities we serve.

Our customers and communities are diverse e.g. our Brett and Dour communities have much higher numbers of over 55's compared to the national average (49% and 40% compared to 35%); and our Pinn community has a higher ethnic population compared to average (49% vs 14%). To achieve our aim of giving customers a personalised experience to cater for their individual circumstances we therefore cannot rely on blanket communications but must instead offer a diverse range of communication channels.

We received mixed feedback about our customer communications ahead of the event “[A winter campaign about the importance of lagging pipes, using fairly diverse channels, assisted in ensuring customers were aware.](#)” but “[It would also appear that minimal contact was made in advance of the event.](#)” This was a key focus for us ahead of the summer campaign and will be adopted as business as usual in our communication plans moving forwards. Some examples of additional channels we used this summer include:

- During the freeze/thaw incident, we did not use email to communicate with customers but we used email for this summer's hot weather, high demand period. On 26 June 2018, we sent an email to over 38,000 customers and on 6 July 2018 we sent another email to over 34,000 customers - advising on hot weather, possible pressure issues and water saving options.
- We worked with other water companies to make our campaigning more effective: a radio and digital campaign was launched with Southern Water, Southeast Water and Thames Water for two weeks (29 June 2018 to 13 July 2018), which included airtime on Heart and Smooth and digital advertising across 180 content providers.
- This campaign was continued with Southern Water and Southeast Water, from 6 to 31 August with Global radio station DAX advertising and digital advertising.
- Transcript: “The heat is on and demand for water is rocketing... Stay hydrated, but please use water wisely. Think about it... brown lawns bounce back. Dirty cars are cool. Water is precious, whatever the weather... Let's save it.”
- See below for radio and digital coverage area and examples of the digital artwork



With a heatwave sweeping across the UK, we are hitting peak demand for water



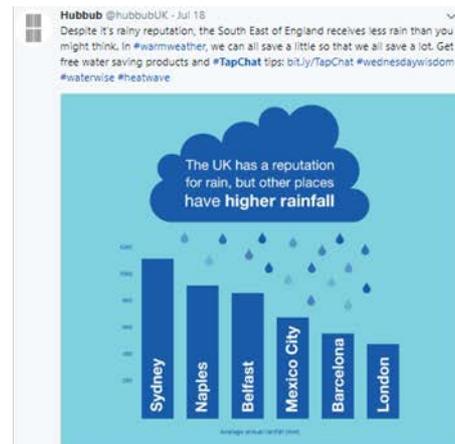
With a heatwave sweeping across the UK, we are hitting peak demand for water

Save water and help the environment

[Click here for water saving tips](#)



- This summer we continued our work with environmental charity Hubbub to drive behavioural change to assist customers to save water, energy and money. Various campaigns have been employed and we are planning an extension of activity ahead of next winter, to cover preparing for the freezing weather. Examples of Hubbub’s social media activity for Affinity Water this summer is below:



Our research informs us that most interactions will be part of a multi-channel and multi-event journey. We have invested in new systems (i.e. Maximo, our new works management system) and systems integration to ensure we can capture and recall accurate information at each stage of a customer’s journey with us.

We are committed to being innovative in this space so that we can meet the need of our existing customers and those of future generations who we know from our research will have a new set of challenges to meet. We will continue to use our CCG partners to scrutinise, challenge and support the development of prospective new customer communication channels and to measure their effectiveness.

Measuring the effectiveness of our communications was an area Ofwat challenged us on - “no evidence was provided to demonstrate the effectiveness of most of these channels”. We believe that this is a fair reflection and it is something we will seek to improve on. We have already started trialling a form of measurement known as social listening where we are provided feedback on customers’ sentiments compared to other water companies so that we can benchmark our position.

Having up-to-date household and customer data is key to understanding the volume of water we would expect as legitimate use at property and DMA level. We have given focus to this area with a bespoke performance commitment in AMP7 for false voids, premises wrongly classified as empty.

## 5.2 Non-Household Customers

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We provided our retailers with timely information during the event and feedback to date has been very positive. We have recently commissioned a survey of our retailers following both weather events to further understand:

- Other communication channels we can use to ensure that our communications are more effective
- Further information we can provide to add benefit to managing customers through the incident
- Approaches which other wholesalers took that we could learn from
- Areas of ownership that are not understood
- Opportunities for us to collaborate further

We will use the feedback from these surveys to build an improvement plan for communication with Retailers and Non-Household customers during October 2018.

We are committed to working with Water UK and the other water companies to improve understanding of ownership between wholesalers and retailers both during business as usual and emergency events.

We recognise that others in the industry are more advanced in their segregation of non-household customers and targeting of communication to them during emergency situations. We will be addressing these gaps through our improvement plan which will include a review of the site-specific plans for sensitive customers and large users starting with hospitals and care homes as well looking at how we engage with different trade groups to reach specific groups e.g. farmers and holiday camps. This process is already underway and will be completed during 2019.

## 5.3 Stakeholder Communications

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We have very good working relationships with our key stakeholders and we are pleased this was recognised in Ofwat's report - ["Affinity Water made a strong effort to communicate with stakeholders, including political representatives in the most impacted areas."](#)

We engaged with the relevant LRFs quickly during the incident, confirmed support required and information to be shared as well as comparing lists of vulnerable customers. We will be adapting our approach to LRF ownership internally. Our newly appointed Emergency Planning Co-ordinator will co-ordinate our overall LRF stakeholder strategy but we will be having each relationship sponsored by a Senior Operations Manager to ensure we further enhance the communication between the planning and delivery/execution functions within our Company and across the LRFs.

Immediately following the event we set up a meeting with the MPs from the worst affected area. That session was followed by a public meeting where we met affected customers and different stakeholder groups.

We are committed to continuing our good work in this area. Through research conducted alongside a number of research organisations and think-tanks and with work conducted by Open Data Institute we have identified the following groups with whom we will actively seek to work more closely:

- Local government officials
- Emergency services, LRFs and public health services
- Environmental groups

We have a robust Crisis Communication Plan that sets out escalation triggers for all our key stakeholders. This has been reviewed and confirmed as up-to-date.

## 6 Vulnerable Customers

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We use our real time Geographical Information System to maintain a database of all our sensitive and/or vulnerable customers and as Ofwat recognised that a “strong effort was made to contact each discrete group of customers”.

Ofwat posed the question whether “there were vulnerable customers not captured by these efforts.” We have used research from credit and other organisations in our region which suggests that the 26,731 customers we have on our Priority Services Register (PSR) could be as little as 2% of the real number of customers experiencing some sort of vulnerability so it is very likely that there were customers we did not reach. This is an industry-wide challenge made harder as customers do not always recognise themselves as being vulnerable.

We know that vulnerable customers can be diverse and complex, with customers often having multiple vulnerabilities or only needing help for short periods. We have set ourselves very challenging targets to ensure we are meeting the needs of our vulnerable customers. Our first challenge is to increase the number of customers on our PSR to 92,000 to ensure that we have better records of who would benefit from the many existing services we already offer and the many more we will introduce to benefit them. We have set two bespoke performance commitments for AMP7; the first is to achieve a minimum satisfaction score of 82% and the second is to achieve a score of 4.8 out of 10 on a scale of 1 (easy) to 10 (difficult) for how easy vulnerable customers find our services to deal with. Our Customer Challenge Group (CCG) have reviewed and challenged these measures which we believe allows us to measure and monitor the changing needs of these customer groups.

We will also enhance our services based on the BSI framework (BS18477:2010 Inclusive Service Provision) by 2020 to ensure that we are following best practice ways of working in this area.

A key part of our strategy to meet the needs of our vulnerable customers is to work with other organisations with the common goal of maximising our reach and service offering to customers most in need of our support. Our collaborations are extensive and include;

- Working with Dementia Friends to reach circa 40,000 dementia sufferers in our area
- Working with the Utility Networks group which includes Distribution Network Operators (DNO) for Gas and Electricity. A joint leaflet is promoted by our trusted partners which include Citizens Advice Bureau and Christians against Poverty
- Shared website links with UK Power Network (UKPN)
- Co-branded Priority Services Register (PSR) registration form with other water companies, UKPN and Kidney Care UK to promote support available in a water or power interruption
- We are working with EON and UKPN to share best practice on the technology being used in the Energy Sector to develop our multi sign up tool.
- We are part of the working group with Water UK, Energy Networks Association, water companies and the Safeguarding Customers Working Group. The project aims are to establish data sharing between the two sectors by 2020.

- We work with charities such as Christians against Poverty, Step Change and local community police projects to facilitate data sharing to identify customers who need financial and/or non-financial support.
- We have a working partnership with Southern Water to automatically data share information with customer consent
- We are part of regional working groups to address issues for customers who may have a different water and sewage provider
- We have worked with three housing associations over the past year (Watford Community Housing Trust, Dacorum Borough Council and Thrive Homes) to support approx. 16,000 customers who have moving to being billed directly by us.

We know that vulnerable customers can often be more affected during an unplanned interruption and not being able to find out what is happening can add to that anxiety. We are currently working on a solution that will allow us to fast-track calls from vulnerable customers to the front of our telephone queues so that we can more quickly reach those customers in need.

We are still committed to doing more and our CCG is involved in the strategy for 'inclusive services' along with a quarterly update given to CCW. We have also formed a panel of stakeholders from local charities, local authorities and financial organisations to develop the services we offer, improve awareness and introduce two-way signposting with customers' consent.

## 7 Compensation

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Ofwat provided positive feedback on our payment of compensation noting it was “swift for both residential and business customers.” and followed “an established process of hydraulic analysis in determining properties affected by supply interruptions.”

Following this incident, we made ex-gratia payments where we felt the standard of GSS payments were not proportionate to the disruption experienced by some of our customers in the locality of Barnet who have experienced further interruptions prior to the severe weather event.

We support the OFWAT consultation on the Guaranteed Standards Scheme (GSS) and are committed to fully engaging in the review.

## 8 Summary

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In summary, we believe that Ofwat's summary of our performance during the incident was accurate and fair.

We have developed an action plan that builds on the lessons learned for us and the industry. We will track progress of our actions and report on them to our Executive Management Team routinely.

We have already completed some and have made significant progress on others. The prolonged hot/dry period we faced during June, July and August 2018 afforded us an opportunity to test our progress and we believe they have proved effective in ensuring our customers were better protected than previously, with no significant supply interruptions during that period.

We are fully engaged with the many working and strategy groups committed to driving the industry forward. Through these forums we will continue the collaborative working that this review process has fostered and continue to share progress with Ofwat and others.

We have recently submitted our business plan for 2020-2025. It is an ambitious plan that sets out our plans for providing a resilient supply and an inclusive service for our customers and communities whom we are privileged to serve.