



# All Party Parliamentary Water Group

## Welcome to this virtual meeting of the APPWG on the role of the industry during COVID-19

We kindly ask that you observe the following etiquette to ensure the meeting runs smoothly:

- Please keep your **microphone muted at all times** to avoid background noise unless called on by the Chair
- Please consider if you need to use your camera, as it may slow down your connection
- If using your camera, make sure there isn't something behind you that you don't want people to see
- If you'd like to **ask a question** please do this via the chat function
- The Chair will address questions to speakers at the end once all of the presentations are finished
- As a parliamentary forum, priority will be given questions posed by MPs and Peers

At the beginning of this meeting, the APPG Secretariat will provide a short tutorial to reiterate these rules.

# Alex Davies-Jones MP

Co-Chair of the All-Party Parliamentary Water Group

# Water industry's response to the COVID-19 pandemic

Rob Wesley, Head of Policy  
Jim Marshall, Covid Operational Lead

13 May 2020

# Introduction

- The water industry identified the risk of the impact of COVID-19 in January 2020 and took steps to identify the potential impacts on water and wastewater services
- Focussed on three areas
  - Maintaining water and wastewater services
  - Supporting customers
  - Ensuring sector remains resilient to the enduring impacts
- The pandemic has provided challenges to the water sector as a whole. Existing pandemic plans provided a robust starting point but needed updating and refining.



# Maintaining water and wastewater services

- From late January, we started our planning for a critical incident related to COVID-19. In March instated the formal incident control structure overseen by water company Ops Directors to:
  - Build on the lessons learned from EU Exit readiness and widened to support the specific associated with coronavirus;
  - Establish regular reporting to government on RAG status of key functions including absence rates, service interruptions and chemical and non-chemical stocks;
  - Provide a series of incident “playbooks” to help manage any events affecting water and waste water services during the pandemic;
  - Provide information to government on a range of commission from key worker numbers to chemical resilience to PPE needs.
  - Promote the role of key workers in keeping the service operating



# Protecting vulnerable customers

- Our over-riding focus has been maintaining essential services for all customers
- We have recognised that some customers are particularly vulnerable to supply interruptions and prioritised their needs
- As part of this, we have been working with governments to seek to ensure that companies know about “shielded populations” in the areas they serve, and what additional support they may need
- Actively promoting ‘Priority Services’ to ensure customers with particular needs know that additional help is available
- All companies keeping their plans under review, especially given the complexity of providing alternative water supplies under a ‘social distancing’ regime)
- Company comms promoting the governments’ messages



# Supporting customers who need help

- **Extensive package of measures in place since March:** payment holidays offered to customers needing help; planning further support
- Significantly stepped-up activity to make **customers aware of support available** - including actively contacting customers who have not paid
- Collections visits stopped, and nobody needing support referred to collections agencies; no new court applications
- Tailored support for those struggling, including where appropriate deferred payments and reduced instalments
- Automatic renewal for those on support measures and support to help cash payers meet their bills
- Working with governments, Ofwat and CCW to develop plans to accelerate the planned scaling up of social tariffs, targeting further support at those who need it most



# Working with governments and regulators

- Early engagement with a range of key stakeholders to outline the specific needs of the sector in adapting to the crisis.
- Worked with regulators to agree an approach to critical and non-critical activity – some higher risks stopped, much activity retained as BAU (with appropriate safe guarding)
- Early and frequent dialogue with governments and regulators - including twice-daily calls with Defra officials
- In addition we:
  - ~ Commissioned cross-European data and an information platform to share best practice and latest developments
  - ~ Launched a new Stakeholder Newsletter to keep politicians and consumer groups updated throughout the crisis



# Conclusions and next steps

- Water sector has reacted positively to the challenges posed by COVID-19 but acknowledges this is an ongoing and changing crisis
- Building on the lessons learned for EU Exit readiness steps have been taken to adapt the way in which we manage incidents reflecting the specific challenges of COVID-19
- Working constructively with Defra as lead UK Government department, devolved administrations and other stakeholders, both strategically and tactically
- Next step is to consider the risks associated with the next phase of government policy, particularly with the return to customer facing activity in a manner that can keep staff and the wider public safe.



# Thank you

[jmarshall@water.org.uk](mailto:jmarshall@water.org.uk)

[rwesley@water.org.uk](mailto:rwesley@water.org.uk)



# Re-thinking the role of the industry after Covid-19

Guy Thompson - Group Director, Wessex Water

**Wessex Water**

YTL GROUP



# Response to the pandemic

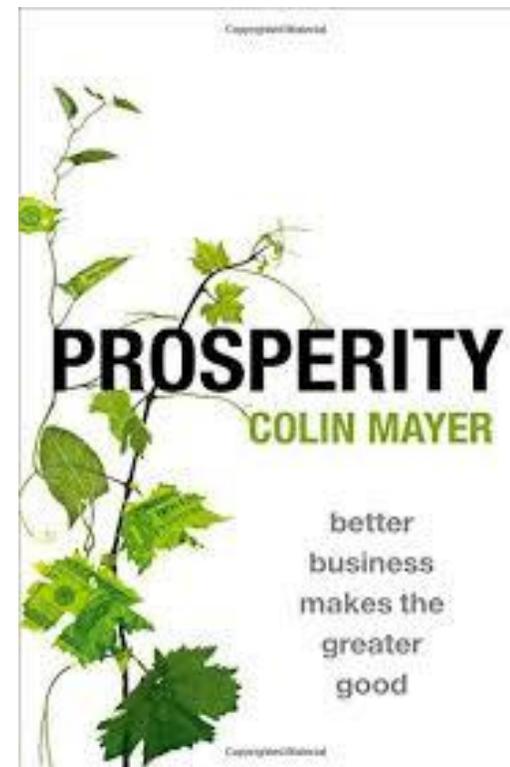
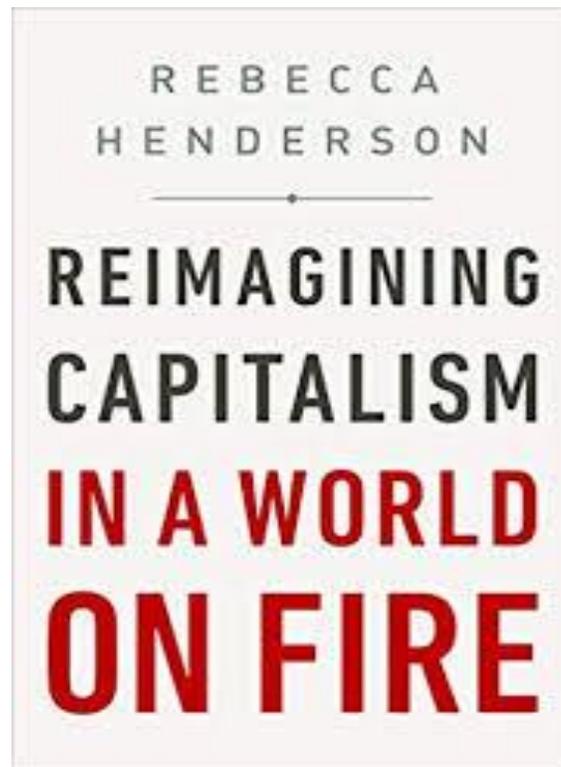
Wessex Water (along with many other essential service providers such as banks, internet service providers and other utilities) has stepped up to its regulated obligations during this pandemic:

- We've maintained service standards and customer services;
- We haven't furloughed staff;
- We're working closely with the supply chain;
- We've gone the extra mile to support frontline workers;
- We've seamlessly moved third of our workforce to remote working

# Purpose-led business

“ Society is increasingly looking to companies, both public and private, to address pressing social and economic issues. ”

- Larry Fink, Founder and CEO of BlackRock



“ *There really is such a thing as society.* ”

- **PM, 29 March 2020**

“ *We should all – including Ofwat – raise our game. The ambition is for water companies that deliver greater benefits for customers, society and the environment as they carry out their business that their owners achieve long-term returns for doing so.* ”

- **Rachel Fletcher, CEO of Ofwat  
Beesley Lecture, October 2019**

- Government goal to restore the environment within a generation.
- Urgent need for a comprehensive national framework for nature and climate recovery supported by integrated delivery on-the-ground.
- Unique role for water companies as privately owned regulated utilities delivering essential public services and rooted in places.



# Defining a new social purpose

## Leadership opportunity for water companies:

- 25 Year Plan not deliverable with public funding alone
- Step-change in pace and approach required
- Opportunity for accelerated demonstration projects
- Catchment markets to gear in private investment

## Requires an enabling approach by regulators:

- Global leadership opportunity for UK plc
- Co-invest public funding with private funding
- Define local obligations nested with national targets
- Outcome based approach to regulation



# Question and Answer