

Freeze Response to Ofwat September 2018



March 2018 Freeze Thaw Weather Event

Ofwat Response September 2018

During February and March 2018 the Wessex Water Services Limited (WWSL) region was hit by extreme cold weather. For the first time the MetOffice issued a 'red weather warning - risk to life' in England. Due to preparations ahead of the event and the commitment of staff during the event, WWSL supply customers were not impacted.

This document shows the structured event planning and risk management carried out within the organisation, that ensures our customers supplies are maintained during extreme events. It will cover how we engage with our customers to ensure they are well informed during an event and that their specific needs are met. It will also detail future investments that will be made during AMP 7 that will improve our ability to react to changes in our network, to further reduce our risk to customers and better serve their needs.

Risk and Planning Structures and Arrangements

This section explains how we manage risk and the impact on events such as the "Beast from the East" within WWSL.

The WWSL Board take direct ownership of risk activities, setting a clear strategy and risk tolerance. If the fully independent Audit & Risk Committee cannot satisfy themselves that the Board have completed their assigned risk activities, they are empowered to do so on their behalf reporting to the next full Board meeting.

The following groups provide a clear view of risk and event management to the Board to ensure that it is appropriately managed.

Operational Leadership

The operational senior leaders take the lead on the creation and setting of our Local Emergency Plans (LEPs) and Consequence Management Plans (CMPs).

For events which could affect the operation of the company that fall below the corporate planning horizon, the CMPs are created. These cover generic events like dry weather, cold weather, loss of a large pumping station etc. These CMPs have a testing plan over a three year cycle which is overseen by the Operational Leadership Team.

For individual asset failures of a significant nature a full LEP is produced and tested in a three-year cycle. These plans are owned directly by the operating teams and overseen by the Operational Leadership Team.

Supporting the LEPs and CMPs are the business as usual controls. There are two key change risk assessments:

- Process Risk Assessment
- Network Risk Assessment

These are required where a network asset is operated outside of the current settings or where a planned change to an above ground asset would have an impact on the site process. These controls are systemised, and approvals are required, which have a fixed scale depending on the activity initiated.

Alongside the key change controls there are automated alarms generated by simple machine set points through to AI based algorithms. This is overseen by the Operational Leadership Team with targets set for both efficiency and control.

Emergency Planning and Recovery Leadership

The Emergency planning strategic group (EPSG) develops policy and guidance on best practice and makes executive decisions. The group comprises of directors and heads of department and meets when required.

The Emergency planning implementation group (EPIG) meet quarterly to consider issues and lessons learnt concerning emergency planning and business continuity. Regular updates are provided to the risk and resilience management group (RMG). Representatives from all WWSL business areas are part of the group.

Expert guidance is provided to the business by the Health, safety and security team who facilitate the day to day management of the business continuity and emergency planning programme. Representatives from the team liaise with external organisations (e.g. local resilience forums) to maintain effective multi-agency response and ensure internal processes meet best practice standards.

Business continuity arrangements (BCA) identify the specific measures that need to be undertaken across the company in response to the following principal threats:

- Widespread loss of power
- Loss of a critical supplier
- Loss of the operations centre
- Significant constraint of fuel supplies
- Loss of staff, pandemic influenza
- Loss of critical information systems
- Loss of a critical operational site
- Loss of a critical non-operational site
- Adverse weather

Each business continuity arrangement has a supporting business continuity incident response plan (BCIRP) that provides a strategic response in the event of a principal threat materialising into a business continuity incident. Each BCIRP documents identifies the key roles, responsibilities and contacts required to respond to such an incident.

Each department has a bespoke business continuity plan (BCP) that details the response to each appropriate principal threat so critical activities can be resumed in an adequate timeframe. BCPs are supported by CMPs and LEPs where appropriate.

Risk Leadership

The Risk Advisory Group meets biannually. The RMG produce a formal report including the proposal for changes to the corporate principal risks. The group are fed from the Risk Management Group (RMG).

The RMG meet at least four times per year and are constituted of a set of risk professionals that head each of our core departments. This group review every risk fed into the corporate risk register including Operational and Resilience risks. The group are also charged with ensuring the view of risk is balanced by all activities across the company prior to any suggestions being passed to the Risk Advisory Group.

The RMG is fed by localised oversight risk groups, covering the core company risk activities:

- Environmental Risks
- Financial Risks

- Operational Risks
- Legal Risks
- Information Services Risks

These areas each have at least one core group that reviews the companies risks at an operational and tactical level to ensure as many risks that can be identified have been.

The Operational Risks have separate quality compliance and risk meetings to ensure that the regulatory obligations and public health/environmental commitments are appropriately overseen. The operational risk registers record risks at a functional asset group level and are all scored using a fixed 5 x 5 matrix. For some risks the consequence is fixed which ensures parity on the scores.

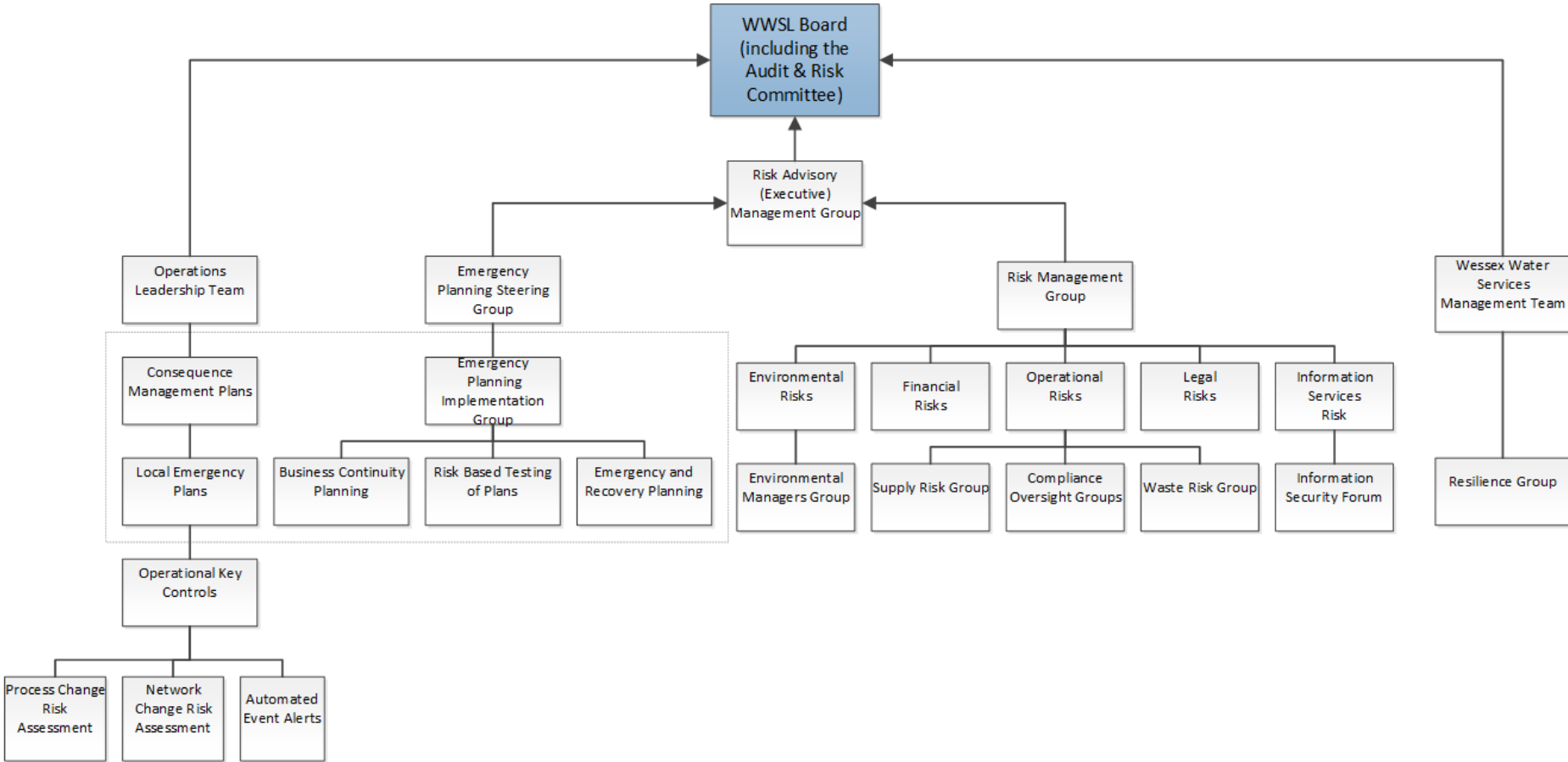
The risk system also generates the priorities for our capital maintenance investments. This ensures that risks are spotted, recorded, mitigated and their trends monitored as without this level of diligence the investment takes longer, meaning more operational costs.

WWSL Executive Leadership

The WWSL Executive Leadership Team, 'The Services Management Team (SMT)' take responsibility for resilience. There is a Resilience Group, that also feeds the Risk Management Group. This Resilience Group is a sub-committee of SMT and have a formal strategy for reviewing and improving the operational service resilience.

The group have recently produced a full gap analysis against the principles of BS65000 and created formal action plans for each area of weakness identified.

Business Risk & Planning Map



Beast from the East Event Response

During the “Beast from the East” event, the same structured approach to risk and incident management detailed above was followed.

We would class the Beast from the East as an adverse weather event for which we have very clear and long-standing processes detailed in the Business Continuity Arrangements for Adverse Weather and Business Continuity Incident Response Plan – Adverse Weather Response Plan.

Our planning for adverse weather starts in September of each year with the formation of our adverse weather group. This group consists of representatives from around the organisation that are tasked with ensuring that the organisation is prepared for any future extreme weather events.

The responsibility of the group ranges from ensuring that we have the appropriate number of 4x4 vehicle in the fleet to ensuring that the appropriate weather reporting support is in place with the MetOffice.

When the storm started to be predicted on the MetOffice forecast we reviewed again the actions carried out by the adverse weather group to confirm that the arrangements were still appropriate.

Our response was escalated with the formation of an incident management team, chaired by our Chief Operating Officer (COO), when the MetOffice issued a red weather warning – risk to life. This incident team comprised individuals from around the organisation and its purpose was to preserve the health and safety of our staff and customers, whilst maintaining water and sewerage services to the region. By forming the incident team we also activated BCIRP10 which assisted in coordinating our response.

The incident management team delivered the following directions:

- All non-essential work that had not already been rearranged was to be cancelled
- Home working implemented for all non-essential staff
- Field staff were to travel using 4x4 vehicles
- No single person working for field staff
- Hotel accommodation arranged for key staff within our control room and call centre to maintain normal service to customers
- Assistance of vulnerable customers with frozen internal pipework
- Increase of available leak detection and repair staff during the weekend rapid thaw
- Centralised coordination of distribution and leakage staff to manage bursts caused by rapid thaw
- Advice provided to retailers on commercial leak repairs and management

Wessex Water worked with multi agency partners in all three LRFs within our region for the duration of the event, participating in teleconferences and providing updates on the organisations response.

The early planning and rapid response meant that customers in the Wessex Water region did not have interruptions to their water supply of more than 3 hours, were able to speak to staff in our call centre and control room around the clock and our staff safety was protected.

A full debrief is completed following every event. The purpose of this debrief is to learn lessons and improve our processes. During the Beast from the East we had a number of

customers contact us about frozen internal customer pipework, as such we are planning to contact those customers in the run up to this winter to provide advice on how they can protect their homes and are considering issuing frost protection kits.

Communication and support

While we communicated well with customers before and during the 'Beast from the East' event, we have reviewed what more we could do to further improve customer reach. Building on the success of our social media engagement, we have explored targeted Facebook advertising that allows us to reach specific communities. This has been trialled during incidents and for proactive campaigns and resulted in engagement that we might not have achieved through using traditional media channels or organic social media messaging. We now have a database that details populations for the area we serve and the likely Facebook users in that region, so we can quickly see how many customers we could potentially reach through this communication method. We will be using this, not just for reactive incidents, but to proactively give advice to customers ahead of cold weather events. Our social media team, which operates out of hours, seven days a week, is on hand to answer any questions that customers might have on the back on these proactive posts.

Realising that we cannot solely rely on social media and media (press, broadcast) engagement, as part of our PR19 customer engagement work we experimented with communication through hyperlocal publications, such as community newsletters and parish magazines and websites. We have started researching and recording contacts for these publications to sit alongside our media database. We believe this 'grassroots' approach will help maximise engagement by allowing us to communicate with hard to reach communities in our region.

We have started discussions with South West Water and Bristol Water on how we might look to work collaboratively should there be a need for communication across the south west region. Rather than a company specific approach, by working together we could make use of regional radio stations, such as the Heart network, to broadcast one consistent message to everyone in the south west. Furthermore, to improve resilience regionally, we have agreed in principle to support one another when it comes to unprecedented incidents, by pooling communications resources and expertise.

It is crucial that customers receive a consistent message during a supply outage or incident. Our *incident management communications plan* works as a checklist to ensure procedures are followed and our public relations team and customers service team are aligned to ensure timely, accurate and consistent messages are communicated to customers.

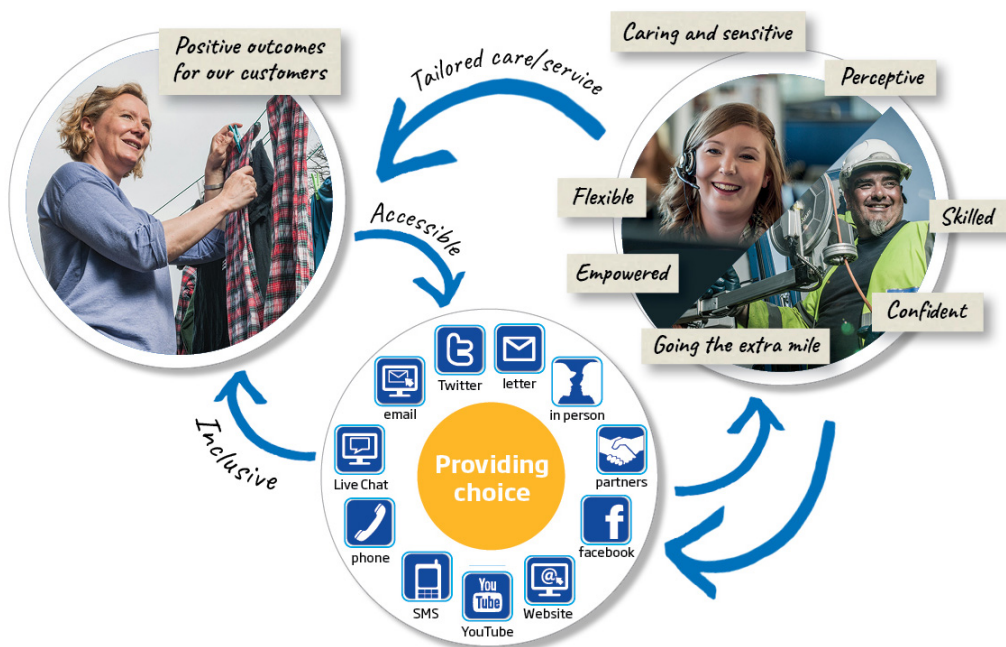
We're committed to sharing best practice when it comes to our communications approach. Our head of communications is a member of Avon and Somerset Police's warning and informing group, and has regular meetings with Bristol Water, South West Water and Welsh Water communication leads so we can learn from one another when it comes to effective customer communication and engagement. Initiatives are also shared at an industry-wide level through the Water UK communications network.

Vulnerable Customers

We know that anyone can find themselves in vulnerable circumstances at any time and vulnerability can be transitory or long term. We do not define or categorise our customers. Our staff are trained and empowered to identify signs of vulnerability over the phone or out in the field. We give them the right 'tools', confidence and awareness to deal with complex situations they may come across. And through our many and varied partnerships with and funding of other support agencies, we maximise the opportunities for our customers to access holistic advice and services.

The service ethos of going the extra mile for our customers runs right through our business and our customer care and service is tailored to the individual. We have a substantial track record in service delivery for customers in vulnerable circumstances and a deep well of experience across the spectrum of activities designed to support them. We hold several external accreditations to prove our service is inclusive and accessible to all including the British Standard for Inclusive Service Provision (BS18477).

This is our model of customer care:



We have a priority services scheme for those customers with disabilities or additional needs that we need to take account of in our day to day activities such as billing, communications and support during incidents such as supply interruptions. We designed the scheme to meet the widest possible range of needs and have ensured that these can evolve in the years to come.

23 charities and organisations have reviewed these services over the last year – in some cases helped us to design them – and have given us permission to display their logo by way of endorsement. This includes local and national organisations such as Mind, Kidney Patients UK, Action on Hearing Loss, Dementia Action Alliance, Macular Society, Disability Rights UK, Citizens Advice, the British Disabled Angling Association and Avon and Somerset Police.

During any major incident we will identify all customers on our Priority Services scheme and adhere to their registered service needs be that requirement for bottled water, different form of communication, liaison through a nominee, extra physical support due to mobility issues

etc. In addition, our call agents and field staff will do all they can to identify customers who need further support through their conversations with them. Their ability to do this comes from specific vulnerability and going the extra mile training.

Our focus on quality of experience (not average handle time of calls) enables our call agents to give more time to customers who need additional support. Additionally, we carry out monthly call quality reviews to ensure call agents are spotting signs of vulnerability and passing information on to our teams on the ground.

Our continuous improvement programme maximises the use of customer journey maps to review and design enhanced experiences for customers, including the use of their feedback following major incidents.

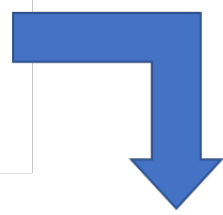
Not all our customers are aware of or have signed up for Priority Services. That's why we continue to be proactive in raising awareness of Priority Services and tap, our support for customers who are financially vulnerable, and take every opportunity to encourage customers who need additional support to sign up. There are four workstreams in our strategy to help us raise awareness and increase take up.

1. Using data wisely
 this helps us assess the effectiveness and uptake of our support and identify and target activity proactively and effectively

2. Growing partnerships
 this workstream is designed to increase the number and variety of our partners and to work with them in a way that suits them to best engage with their clients, who are our customers

3. Community engagement
 to extend our reach and engagement across communities to break down barriers to engagement and reach those who might otherwise not have been heard

4. Improving the customer journey
 to make it as easy as possible for customers to know about and access our support through the channel of their choice and to have an excellent customer experience



Our 'using data wisely' workstream includes several local pilot projects with energy companies such as Scottish and Southern Electricity Networks (SSEN) and Western Power Distribution (WPD) to share data with the aim that a customer only needs to sign up for Priority Services once. We are a member of the steering group looking at the wider national energy datashare due to go live April 2020 and we have said we will be an early adopter.

A copy of Every Customer Matters, our strategy for customers in vulnerable circumstances, is attached. Partners and customers have helped us co-create this strategy through focus groups, workshops, surveys and face to face interviews. Our expert advisors have endorsed it. The document sets out the customer care and service we promise to offer, what we've achieved under our four workstreams to date and what's planned over the period to 2025.

Future Planning

Wessex Water work to continually improve the service we provide to our customers. This includes during events such as the Beast from the East.

Our PR19 business plan will see us make further investment in our network, people and technology to further improve that service.

We have committed to reducing the water supply interruptions experienced by our customers by 75% by 2025. We are going to achieve this target by installing thousands of real time monitors in our network that will alert us to the onset of a burst, allowing us to repair the pipe before it causes an interruption.

The same period will also see us reducing our leakage levels by a further 15%, with the use of innovative techniques like loggers that continuously listen for the early signs of leaks.

We will also continue to improve our industry leading levels of customer service, exploring new and emerging channels to stay in touch with our customers, ensuring their specific needs are met.