



**Scottish
Water**



**The Scottish
Government**
Riaghaltas na h-Alba

Trusted partners
in the global
water community

Scottish Water - Regulatory Innovation

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Regulatory evolution

The results

The SR15 process

What the future holds



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Changing regulation

Pre 2002

Poor regulatory performance
Loss of confidence in water authorities

2002 - 2015

Strong independent regulation
Stretching performance and efficiency targets
Journey to customer – centric model
Working in partnership

Beyond 2015

Customers at the heart of our plans
Continued high performance – Leading Service
Stretching efficiency targets
TOTEX

Regulatory framework for SR10 (2010 – 15)

Enabling high performance



Regulatory enablement

Charges without efficiency challenge by 2010

Average Household Bill: £429

Charges with efficiency challenge accepted by 2010

Average Household Bill: £324



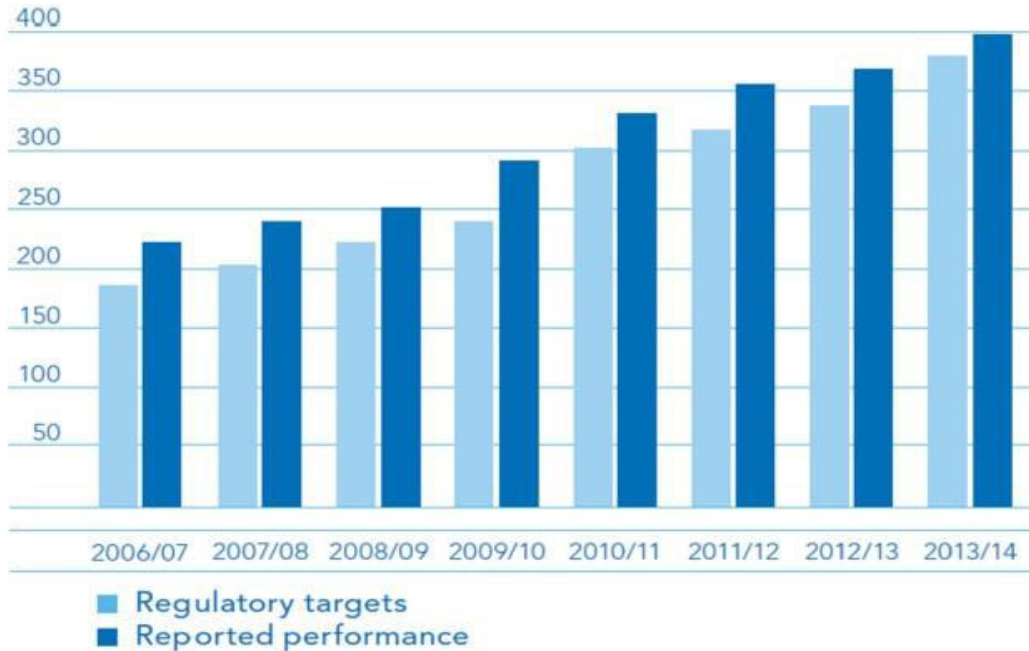
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Overall Performance Assessment



We are a leading utility
in terms of
performance



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Regulatory Measurement



Water Services

Inadequate pressure

Interruptions to supply

Hose pipe restrictions

Security of supply index

Drinking water quality

Pollution Incidents

Leakage

Waste Water Services

Sewer flooding incidents

Pollution incidents

Sewage sludge disposal

Non-compliant works

Customer Service

Customer contacts

Assessed customer service

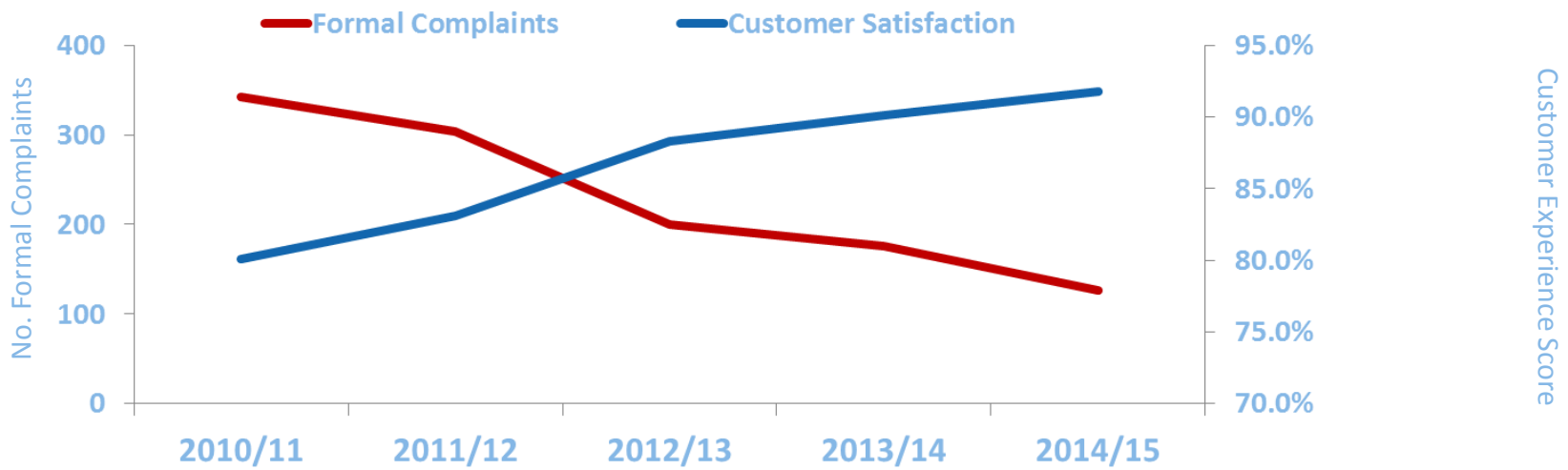


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Regulatory enablement

We put customers at the heart of everything we do



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Regulatory Enablement

A leading utility – Service Satisfaction

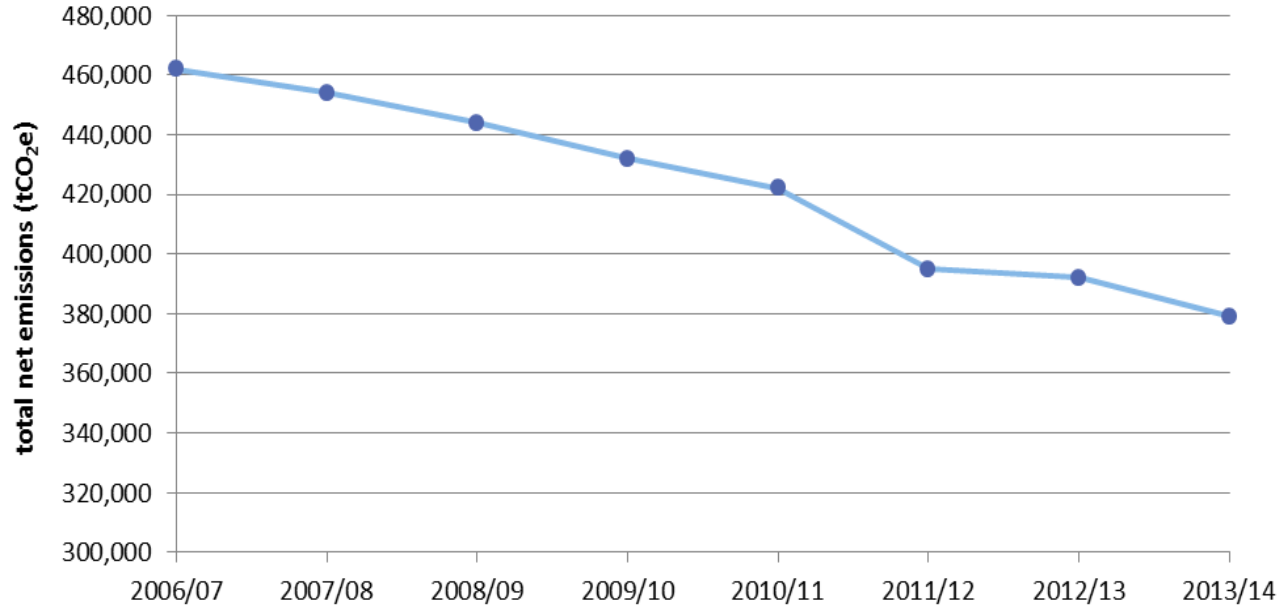
UK Customer satisfaction index 2014 (utilities)



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Regulatory Enablement Sustainability and Innovation



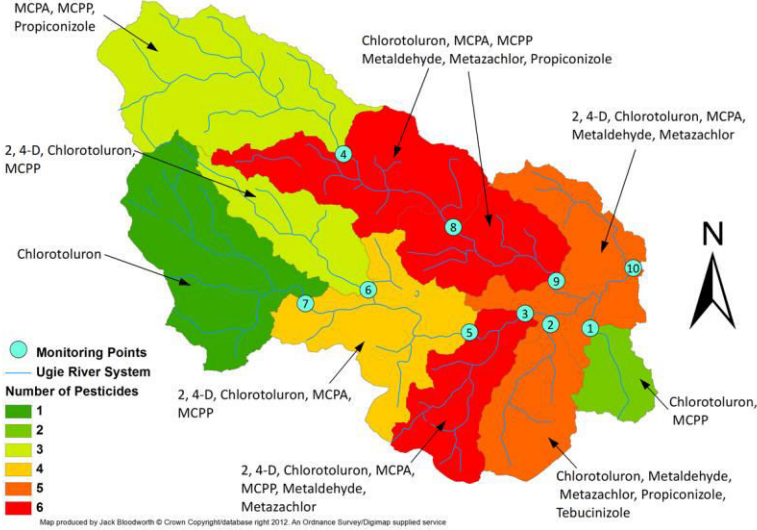
**Carbon footprint
reduced by
83,000 tonnes CO₂**



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Regulatory Enablement Sustainability and Innovation



Sustainable Land Management

Regulatory framework

for SR15 (2015 – 21)

Customers directly informing our plans



Business Plan 2015 - 21

Customer Engagement

Reports:

Listening to our Customers

Your Views Count

Surveys and Focus Groups

*Water Matters Online
Community*



Strategic Projections

Draft Strategic Projections

Final Strategic Projections



Business Plan

Draft Business Plan

WICS: Draft Determination

WICS: Final Determination

Final 6 Year Business Plan

3 Yearly Review



Customers are at the heart of our plans for 2015 - 21



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Headlines for 2015 - 21

Improving customer service

Further improving water quality

Environmental improvements –
particularly Glasgow

All at charges lower than the industry average of England and Wales

Focus on external sewer flooding

Build water supply resilience

Sustain existing high performance

Household charges linked to CPI – 1.6%
fixed for next 3 years

Borrowing of £720 Million over 6 years

6% Operational efficiency improvements

c16% Capital efficiency improvements

Delivered through innovation, investing in our people and risk management

Customer Priorities



Internal Flooding
External Flooding
Visible Leakage
Interruptions to supply



Resilience



**DUMFRIES
& GALLOWAY**

**BLACK ESK AND
PENWHIRN RESERVOIR
CAPACITY INCREASED**



FIFE

**NETWORK TRANSFER
CONSTRUCTED**



Innovation



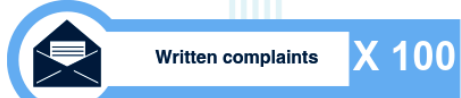
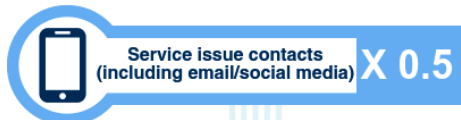
Panton McLeod



50% REDUCTION IN
THMS

SR15 – Customer Experience Measure

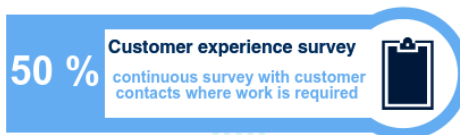
Quantitative Component



(All per 1,000 connected properties)

Quantitative Score
(Out of 50)

Qualitative Component



Qualitative Score
(Out of 50)



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What the future holds

We want to...

Be a leading service provider – not just in the water industry

Revolutionise the delivery of our capital programme

Delight our customers by showing that we care

Continue to provide clear, fresh Scottish drinking water

Protect and enhance our natural environment

How will it feel for our Customers?

We will provide a level of service that customers expect.

We will provide a choice of contact channels with consistent level of service.

We will provide 24/7 access.

We will minimise impact and interruptions.

We will provide proactive information and resolve issues quickly.



our customer promises

We get it right first time...

We aim to deliver a service that delights our customers.

We take ownership of customers issues and aim to resolve.

We're easy to deal with...

We will make it easy for customers to contact us and access information.

We will have straightforward processes and help customers to navigate them.

We talk in a way our customers understand.

We show we care...

We actively seek and use customer feedback.

We understand the individual needs of our customers.

Customers can speak to a person 24/7.

We will always...

- Demonstrate the 'I am SW' and leadership behaviours.
- Ensure that we spend our customer's money wisely.
- Encourage innovative ways of working.
- Support our people to help them realise their full potential.

Measures of our success:

Increased Customer Experience Measure Score
Leading UKCSI scores
Keeping costs low
Engaged and motivated teams



Customer Experience Measure (CEM) 2021 –
We delight our customers by showing that we care.



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Thank You



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