

2020 SOCIAL CONTRACT SUMMIT

EVENT PREVIEW



PUBLIC PURPOSE IN A PANDEMIC

- Green recovery
- Supporting customers and the economy
- Collective action and resource efficiency
- Intergenerational equity

3 NOVEMBER | 10 NOVEMBER | 24 NOVEMBER
ONLINE

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Public purpose in a pandemic

Through three online sessions in November, Indepen and The Water Report will host a discussion about the next steps for social contracting in the water sector. This will focus on rising to the economic, social and environmental challenges emerging from our ongoing battle with Covid 19.

operational changes will need to be built on and the sector will need to consider if its current arrangements are fit for purpose.

Indepen and The Water Report are dedicating the 2020 Social Contract Summit to exploring the next steps for the water sector in demonstrating public purpose in the wake of the pandemic.

If water companies are serious about operating purposefully and contributing more to society, the time to get on with it is now.

As anchor institutions in their regions and with the privilege of providing an essential monopoly service, we will look at how water companies can best support their communities, strengthen the economy, enhance the environment, and understand how the experience of Covid 19 has affected the attitudes and behaviours of those they serve.

Covid 19 has piled unexpected and unprecedented pressures on a society already weighed down by the need to deal urgently with the climate and nature emergencies, and facing into fundamental questions on legitimacy and social justice. We managed to get on top of the immediate health crisis we faced in March over the Summer. But with schools and universities back, infection rates rising and poorer weather approaching, the country looks to be facing an uncertain, but certainly restricted, further six months. On top of that, we are only in the foothills of a potential economic crisis and really have little idea about the longer-term social, economic and environmental consequences of living very changed lives.

We will sift through what companies can do alone and what they need agreement, support and partners for. And we will consider what lessons we might learn from this unique chance to break the mould and do things differently for future models of operation, regulation and policy.

The following pages detail the programme, the speakers, the key questions we will be discussing and provide opening thoughts from our sponsors – to whom we are very grateful for supporting the 2020 Social Contract Summit in extremely difficult circumstances.

But with challenge comes opportunity. Real opportunity to do things differently and better. Opportunities to step up, try new things, learn lessons.

We are actively looking for sponsors and collaborators for the programme. Please contact summit@indepn.uk.com if you are interested in getting involved.

Water companies responded decisively and effectively to the immediate need to keep taps on through the lockdown. Many have already gone further, providing resources and new ideas to help their communities and the wider country through the crisis. Now there are major challenges around the corner in the form of a recession, climate change and the nature emergency, these tactical and

2020 SOCIAL CONTRACT SUMMIT AT A GLANCE			
Session	Time	Date	Topic
1	10.00 - 11.30 am	Tuesday 3 November	Net zero and a green recovery
2	10.00 - 11.30 am	Tuesday 10 November	If not now, when? Can water companies act as community anchors against the economic storm of Covid and a catalyst for community action on water?
3	2.00 - 3.30 pm	Tuesday 24 November	Fresh eyes: young professionals' perspectives on the social contract



<p>Tuesday 3 November 10.00am – 11.30am <i>Net zero and a green recovery</i></p>	<ul style="list-style-type: none"> ● How might public purpose frame the role water companies could play in the green recovery from the consequences of Covid-19? ● How can we advance on all fronts of the 'green part' of the recovery, including net zero, nature recovery and the improvement of natural assets? ● How should the expenditure be funded and progress measured and regulated? ● What lessons might we learn for future environmental investment, markets, regulation, partnerships and innovation? 	<p>Chair  The Rt Hon. Lord Deben, Chair, Committee on Climate Change</p> <p>Keynote speaker  Minister Pow, Minister for the Domestic Environment</p> <p>Panellists</p> <p> Peter Simpson, CEO, Anglian Water</p> <p> Guy Thompson, Group Director of Environmental Futures, Wessex Water</p> <p> Rachel Fletcher, CEO, Ofwat</p> <p> Belinda Gordon, Strategy Director, Green Alliance</p> <p> Sophie Broadfield, Deputy Director, Water Services, Defra</p>
<p>Tuesday 10 November 10.00am – 11.30am <i>If not now, when? Can water companies act as community anchors against the economic storm of Covid and a catalyst for community action on water?</i></p>	<ul style="list-style-type: none"> ● What measures can water companies take to support customers – domestic and business – during the economic fallout from the pandemic? ● How can water companies support local communities, including through skills, training, and employment? What does being a responsible employer mean in the 'new normal'? ● What actions can the water sector take to support the resilience of the supply community, including fairness, collaboration, transparency? ● What lessons are there from Covid-19 for deploying individual and collective action to add societal value, for example on water efficiency? Who needs to do what and how? ● What opportunities are there for cross-sector partnerships on the above? 	<p>Chair  Angela Smith, Independent Non-Executive Director, Portsmouth Water</p> <p>Keynote speaker  Colin Mayer CBE, Peter Moores Professor of Management Studies, Saïd Business School, University of Oxford</p> <p>Panellists</p> <p> Susan Davy, CEO, Pennon Group</p> <p> Louise Beardmore, Customer Services and People Director, United Utilities</p> <p> Emma Clancy, CEO, Consumer Council for Water</p> <p> Andrew Ribet Schein, Research Advisor, Behavioural Insights Team</p>
<p>Tuesday 24 November 2.00pm – 3.30pm <i>Fresh eyes: young professionals' perspectives on the social contract</i></p>	<ul style="list-style-type: none"> ● What contribution can young water professionals make to progress the water industry's social contract agenda, including with respect to tackling the climate emergency, increasing environmental ambition and improving diversity within the sector? ● What role could young water professionals play in making the case for intergenerational equity? ● What type of social contract do we need between customers of today and those in future? ● How might sentiment towards intergenerational equity evolve in the wake of the pandemic? ● What enablers might help young professionals have a greater say in shaping the water sector's response to these issues? 	<p>Chair and keynote speaker  Luke Pollard, Shadow Secretary of State for Environment, Food and Rural Affairs</p> <p>Panellists</p> <p> Matthew Whaley, Co-Chair, International Water Association's Young Professionals Network</p> <p> Sam Dawson, Wholesale Services Supervisor and Young Persons Board Chair, Portsmouth Water</p> <p> Institute of Water Rising Star – to be announced</p>

Putting our purpose into practice



Peter Simpson is chief executive of Anglian Water. He will be speaking in session 1 at the Summit, on 3 November.

Covid-19 has required water companies to step up and demonstrate what they can do to support their employees, customers and communities through the most challenging of circumstances. For us it has allowed us to show what being a purpose-led business means in practice, in pursuit of the social and environmental commitments we enshrined in our Articles of Association last year. Our stated purpose is to bring environmental and social prosperity to the region we serve through our commitment to Love Every Drop.

As a provider of a vital public service, our priorities throughout the crisis have been to maintain our water and water recycling performance, to protect and support our employees, to safeguard our supply chain, and to offer help and advice, as we have always done, to customers in financial difficulties.

SEVERE CHALLENGES

We know that many of our customers are facing severe challenges, whether financial or because of other vulnerabilities. So we have heavily promoted our WaterCare package of support, which includes discounted tariff schemes, payment holidays and instalment plans, and we have offered benefit entitlement checks which have helped some customers to access thousands of pounds' worth of support. We have also greatly extended the reach of our Priority Services Register, so that vulnerable customers get the support they need in the event of a water supply emergency.

We are conscious that the pandemic brings additional stresses and strains to our own employees too, and so we have extended our package of support.

This includes our Employee Assistance Programme, available 24 hours a day, seven days a week, to give mental health support and financial advice. All colleagues now have free access to the Headspace mindfulness meditation app. We've also set up a special Employee Assistance Fund, funded by senior leaders, to give financial support to those facing unexpected costs or whose partners and family members may have lost their jobs. For our own part, we took an early, principled decision not to furlough any staff, and to honour all job offers. We have 50 new apprentices starting in the business this autumn.

SOCIAL PROSPERITY

From the early days of lockdown, however, we recognised that our purpose demanded more of us. In the context of Covid-19, our commitment to 'social prosperity' translates into a desire to reinforce the social fabric of our communities that has proven so important. We realised that in many cases, charities and small community organisations were running short of equipment and resources at the very time they were needed most.

So at the outset of the pandemic we helped Business in the Community (BITC) set up a new National Business Response Network; a virtual notice board which provides a brokerage service to match community organisations in need with BITC members that can help. It has been immensely successful, allowing companies both large and small to fulfil more than a thousand requests for help.

We also heard how relatively small amounts of money could make a massive difference in meeting the immediate needs of communities. This led to us launching in April a £1m Anglian Water Positive Difference Fund, funded by our investors, and distributed through local Communities Foundations - locally appointed partners with expertise in getting cash quickly to areas where it is most needed. We received the first bids for

support within hours of the process going live and it has already reached over 85,000 beneficiaries. The help provided has ranged from hot meals for people sleeping rough, and telephone befriending for people with dementia, to donating devices to people with learning difficulties to reduce their social isolation.

GREEN RECOVERY

There is also much more we can do as a major employer in our region to create jobs and support more investment - to kickstart a green recovery. We're delighted that the Water Minister, Rebecca Pow, recognised this and signed a joint letter to water company CEOs in July that called for proposals to both accelerate current business plans and bring forward investment from AMP8. I replied with some specific opportunities to create hundreds of jobs and increase our investment by several hundred million. This also spurred us to publish a more comprehensive Five-point plan to support a green recovery (see right). This sets out what we will do ourselves to help our region recover, and what more could be achieved with help from government, our regulators, and our partners.

Our Articles commit our Board of Directors to consider the long-term impact of their decisions for our staff, the environment and for communities, as well as for our owners. Writing that commitment into our constitution makes it abundantly clear that, to us, success is about much more than our financial and service performance. Our guiding 'North Star', rejuvenated with the help of colleagues last year, underpins how we achieve this. We define our values as: together, we build trust; we do the right thing; we are always exploring. Acting in this way is how we make our purpose real.

Coronavirus reshaped our societies almost overnight, and the pandemic is far from over. Our customers and society at large will judge us by our actions in these most difficult of times. I am confident that, guided by our purpose, locked into our core, we will continue to do all we can.

Guided by our purpose, locked into our core, we will continue to do all we can.

Anglian Water's five-point plan for a green recovery

Amid widespread discussions of how to drive recovery from Covid-19, Anglian Water unveiled its Five-point plan for a green recovery, setting out its ambition to build social and environmental prosperity across the East of England by being a conduit for green growth, job creation and partnership working.

As a company with a clear purpose at its core - to enhance the social and environmental prosperity of the region we serve - the plan sets out the commitments Anglian Water is making to support a green recovery, based on its own track record of sustainability, but also what more might be achieved by working with others.

The plan outlines Anglian Water's ambition across five main areas: becoming a net zero carbon business

by 2030; accelerating sustainable housing and infrastructure growth; creating green jobs and boosting skills; delivering climate change adaptation and resilience; and enabling nature recovery. Setting out the company's journey so far, the plan also calls for changes to government policy, funding opportunities and new ways of working to fully embrace the 'build back better' ethos.

Anglian Water's own commitments are set out as part of the plan. For example, through its Strategic Pipeline Alliance - one of the largest infrastructure programmes in the country in the next decade - the company has already created more than 100 new skilled jobs. With hundreds more engineering, technology, project

management and support roles to be created over the next five years, the programme will be a key contributor to post-Covid recovery in the region.

Over the next five years the company will also deliver the largest number of schemes of any water company under the Water Industry National Environment Programme (WINEP), with double the number of commitments made and fulfilled in its 2015-20 business plan. As part of the five-point plan, Anglian Water is seeking regulatory approval to accelerate its £300 million programme of 'amber' WINEP schemes. This includes taking forward dozens of low carbon natural treatment wetlands and innovative river restoration projects. Anglian Water is also seeking support from government and regulators to increase the scale of its smart metering programme in this period, and to roll out intelligent management and control systems across its water and water recycling networks.

Our green recovery commitments

- 01 Becoming a net zero carbon business**
We are committed to reaching net zero carbon emissions by 2030 and working with the whole sector to achieve this together.
- 02 Accelerating sustainable housing and infrastructure growth**
We will work to embed water and resilience at the heart of growth and development in the region.
- 03 Creating green jobs and boosting skills**
We are committed to creating opportunity and levelling up communities through upskilling and early careers development, including apprenticeships.
- 04 Delivering climate change adaptation and resilience**
Our long-term ambition is to make the East of England resilient to the risks of drought and flooding. The management of climate change risks is embedded into everything we do.
- 05 Enabling nature recovery**
Our new Articles of Association commit us to delivering positive environmental outcomes. We will design and judge all our investments with the environment in mind and adopt natural capital approaches where we can.

Public purpose in a pandemic – what this means for United Utilities



Louise Beardmore is customer services and people director at United Utilities. She will be speaking in session 2 of the Summit, on 10 November.

Whether it is during a pandemic or in more 'normal' times, all businesses should be clear on the reason they exist and the contribution they make. In recent times, this has been labelled as 'purpose', with growing expectations that the decisions companies take are informed by their purpose. When companies can prove they are fulfilling their purpose, this is how they build trust and legitimacy with customers and all of their stakeholders.

Crises, like the coronavirus pandemic, bring a company's commitment to its purpose into sharp focus. Rightly, stakeholders expect companies to live up to their purpose when times are tough.

GETTING THE BASICS RIGHT

For utility companies like us, the starting point always has to be getting the basics right. First and foremost, we must do the day job well so that customers need not worry when they have other things to concern them. That has been our focus throughout the pandemic – maintaining service excellence.

To do this we introduced safeguarding measures for colleagues, such as the rapid implementation of new technology to enable call centre staff to work from home, without any impact on day-to-day service. Since the lockdown began, we have received over 1,000 WOW awards

every month, acknowledgement from the public of great customer service. Conscious that colleagues in critical roles may have to self-isolate, we have 300 staff now trained as back up. Key worker cards have been issued to frontline employees to explain their presence in communities.

PURPOSE

At United Utilities, our purpose is to "provide great water and more for the North West". Providing the great water and ensuring customers have confidence in our service delivery has been at the heart of our pandemic response. But the words in our purpose statement, "and more", have challenged us to think about what else we can do "for the North West" – a region made up of communities, customers, employees, the environment, investors and suppliers.

For suppliers, who told us that cash flow is critical, we have accelerated our payment terms (already an average of 14 days) by 7 days and offered them a range of payment options, such as advanced payment, payment on application or modified terms. In particular, this has created stronger bonds between us and a range of smaller suppliers. We recognise that this change in approach will help keep the local economy moving.

For employees, we made an early commitment that we wouldn't furlough any staff. In addition, recognising that some employees live in households where partners have lost their jobs, we introduced our staff outreach scheme to help those facing especially difficult circumstances. Through a confidential process, colleagues can apply for a one-

off grant of up to £5,000. To date, over 50 employees have been helped.

Some employees told us that, at times, it has been necessary for them to use a food bank. As a result, we have made a sizeable donation to the food charity FareShare, where the value of salary reductions by board members has been matched by the company.

United Utilities is the only company that has a relationship with every customer in the North West, placing us at the heart of the communities where our employees live and work. We have been doing all that we can to support and reach our communities. We made £3.5m available from the United Utilities Trust Fund, to be distributed as grants, to help customers out of water debt, with funding for local organisations delivering money advice. To keep stakeholders informed, we have regularly used our social media channels to keep everyone updated, created a virtual consultation approach for one of our largest capital projects, run a virtual event to keep MP offices updated and held a talk-in session on local BBC radio.

HELPING CUSTOMERS

Even before the pandemic, the North West was home to the greatest proportion of areas of social and economic deprivation. It appears that these communities are being disproportionately affected by the impact of Covid-19, when compared to more affluent places, and some customers are finding it increasingly difficult to pay their water bills. People who have always paid their bills are now struggling and find the stigma attached to being in debt very stressful indeed.

In response, we have increased the number of customers eligible for our social tariff and offer the option to request a three-month payment holiday without it affecting credit scores. At this exceptional time, a bit of 'peace of mind' really helps. In addition, we are supporting vulnerable customers through our Priority Services scheme and have almost 120,000 registered.

Our experience in dealing with the highest number of socially and



As deprivation levels increase, social tariff support decreases. Any rational observer of such a trend would conclude this is the wrong way round and should be reversed.



economically deprived areas in England has led us implement a wide range of financial support options. Between 2020 and 2025, we have allocated £71m of voluntary funding to provide financial assistance to over 110,000 customers, helping many thousands out of water poverty. We are promoting this more than ever to customer groups most exposed to the effects of the pandemic. For example, we wrote to elderly customers who were shielding and whose usual payment method required them to leave the house, offering alternatives. A simple action with a positive impact.

Given the impact of the pandemic, we reviewed the appropriateness of continuing normal billing and collection activities – it simply didn't feel right to continue with business as usual. We limited some of the later stage debt collection activities, putting an ever greater emphasis on payment support options when engaging customers. Customer communications, including letters, website design and digital communications, have all been altered to reflect the changing reasons why customers may be falling behind on their bills.

HARDSHIP HUB

As one of only a few sectors operating on regional footprint, before and during the pandemic we have challenged ourselves to think if we're really doing enough to drive change and action given levels of poverty and affordability issues across the North West.

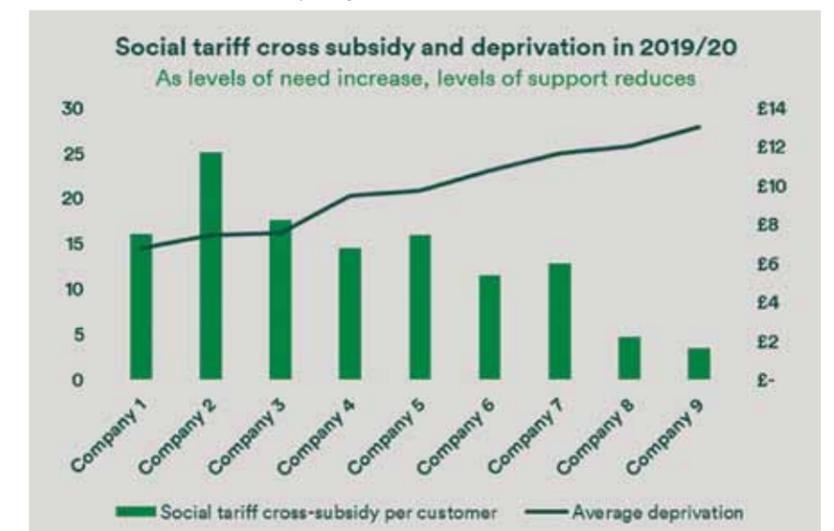
Our engagement with regional stakeholders to understand what more we can do, and to drive action from the bottom up, led to the creation

patchwork quilt of support and eligibility has grown.

Wherever you live across the UK, your prescription is either free, if you're eligible, or charged at a standard rate. For customers eligible for an energy discount, this is the same whether you live in Blackpool or Brighton. However, for water the subsidy is £8.59 if you live in Canterbury but only £1.65 if you live in Carlisle, yet water poverty is the same in both areas. No matter where you live, energy poverty and the discount is the same, so why is water different?

Deprivation and social tariff data taken across the water sector from 2019 reveals that as deprivation levels increase, social tariff support decreases. Any rational observer of such a trend would conclude this is the wrong way round and should be reversed. As we consider how we can ensure a just and fair recovery from Covid-19, which means helping our most socially and economically deprived communities, this inherent unfairness in water bill subsidy must be examined, a perfect illustration of creating social value.

It is a cliché to say what matters is actions, not words, but when it comes to being purpose-led, that is the key test. Looking at our pandemic response through the lens of our purpose, we have sought to implement measures to help the key stakeholders we interact with and create value for. And we can see the opportunity for a post-pandemic legacy that brings fairness to water bill payers facing difficult circumstances. The feedback we've been getting from our stakeholders is that we have been doing the right things to help. And that is what really matters.



Deprivation data: "English indices of deprivation 2019, Ministry of Housing, Communities & Local Government"; Social tariff data: analysis by United Utilities

Beyond the pandemic – providing services to people and place



Guy Thompson is group director of environmental futures at Wessex Water. He is speaking in session 1 at the Summit, on 3 November.

In common with banks, internet service providers and other utilities, water companies have stepped up to our regulated obligations during the Covid-19 crisis. However, the pandemic has also drawn attention to the opportunities for social and environmental reform to support a green economic recovery. Even before Covid-19, there was vigorous debate about the role of the private sector in delivering essential services and growing recognition that the purpose of the corporation should be about more than short term shareholder returns.

It is right that water companies are at the forefront of this debate. As monopoly providers of essential services, our licence to operate rests on an implicit social contract with our customers and communities. As the pandemic evolves, we must anticipate the road ahead to both amplify opportunities whilst managing the risks. The opportunity to contribute to a green recovery is also a chance to consider what a set of regulated obligations looks like for water companies delivering a wider social purpose when the pandemic is over. As we gear up for PR24 and beyond, how can water companies help UK plc to build back better?

ENVIRONMENTAL LEADERSHIP

At Wessex Water, we see an opportunity to deliver more for people, nature and the environment across our catchments.

The government has a goal to restore the environment within a generation. Much of the high level architecture to support its delivery is in place: the landmark Environment and Agriculture Bills before Parliament, national strategies on tree planting and peatland restoration, a £640 million Nature for

Climate Fund, a new Environmental Land Management Scheme to reward farmers for delivering public goods and Biodiversity Net Gain to compensate for development. However, as has recently been illustrated by the latest data on the health of English rivers, progress has been limited. Moreover, the pandemic has stretched public finances and it is increasingly clear that the government's goal is unachievable with public funding and philanthropy alone.

There are two consequences from this conclusion. First, we need to make more efficient use of regulated expenditure and public funding. For the water industry in England, £4.6bn will be invested in environmental improvement in the existing regulatory period, the vast majority of which will be spent on specific point-source improvements to deliver narrow objectives. At Wessex Water, we see the opportunity to do things differently and propose innovative solutions to deliver more for the same cost.

Secondly, we need to find ways to attract private finance and develop mechanisms that turn national targets into integrated on-ground delivery. Delivery mechanisms for the environment are not fit-for-purpose in the face of growing pressures. For any piece of land, there are numerous regulations, incentives and funding programmes administered in silos by multiple public bodies and other organisations. The Natural Capital Committee has highlighted the inefficiency and perverse outcomes this generates as a key threat to the Government's environmental ambitions. Wessex Water has recently collaborated with the Broadway Initiative to make the case for a nationwide series of demonstration projects to show how to overcome these allocative inefficiencies and gear in private investment.

As part of our contribution to a green recovery in our region, Wessex Water is creating Catchment Markets for Nature in three of our catchments to show how we can deliver more for the environment. This will involve communities, farmers,

environmental organisations and others working together with us to deliver greater improvements than would be possible if we were to each continue working alone, by delivering nature based solutions that will accelerate delivery of the place-based goals in the government's 25 Year Environment Plan.

ADAPTIVE REGULATION

To build back better after Covid-19, we will need a new compact between business and society. Better regulation lies at the heart of this compact. Businesses need to embrace the role of government in the overall governance of the private sector where it is involved in the delivery of essential services; and government needs to develop outcome-led regulation so that the private sector can mobilise to build resilience and fulfil its social purpose more fully.

In other jurisdictions, water businesses have been provided with opportunities to co-create with their customers to allow them to define and prioritise the services they deliver. Importantly this has been facilitated through greater regulatory flexibility and accommodated within the price determination process. For example, last year I visited Victoria, Australia to investigate the PREMO regulatory framework, which has empowered Victorian water authorities to step up to a wider social purpose in collaboration with their communities.

By proactively taking a leadership role to contribute to a green recovery in our region, Wessex Water hopes to build on our social purpose to take on a more community-centred approach in order to deliver better outcomes and value-for-money for customers. We want to move from being a provider of essential services to a provider of services to people and place in our region. We hope that, in turn, this will demonstrate the case for reforming the regulatory framework to provide greater autonomy to consult with our customers, decide the services to be provided, price to be paid and risk to assume on behalf of our customers.

To build back better after Covid-19, we will need a new compact between business and society. Better regulation lies at the heart of this compact.

Covid-19 response: Reinforcing the role of water companies in the community



Susan Davy is chief executive of Pennon Group. She is speaking in session 2 of the Summit, on 10 November.

While not forgetting the tragic human toll of coronavirus, it has provided a valuable reminder of the importance of water companies and other essential service providers within society; the huge role we play in protecting life and livelihoods. Furthermore, as the country seeks to 'build back better' in the face of tough economic forecasts, there is an opportunity for water companies to play an even more proactive and visible role in supporting the communities we serve.

Over the past six months, through lockdown, the easing of restrictions and into what is now perceived to be the second wave of the virus, water companies have worked incredibly hard to adapt to the changing Government guidelines while keeping the health and safety of customers and employees front of mind at all times. This has been no small feat, requiring flexibility and agile decision-making, and it continues to test the resilience of the sector on a multitude of levels.

The lessons learned during this period are hugely important and there are numerous examples of how companies have made successful improvements to business processes, systems and ways of working that will be retained for the future. Coronavirus has shaken society to its core, but in doing so it has provided an incredibly useful opportunity for both individuals and businesses to take stock and reflect on how 'the old way of doing things' is no longer fit for purpose. This is perhaps long overdue, particularly given the climate crisis we know is already upon us.

DEPENDABLE AND TRUSTWORTHY

For water companies, first and foremost, getting the basics right has never been so important. In a state of heightened anxiety and physical isolation for many, particularly those most vulnerable in society, any impact on the services people rely on in their daily lives is magnified.

Back in March, the pandemic pulled the rug out from under everything we took for granted. Supermarket shelves were emptied; the headlines questioned whether the NHS could cope; opportunities to see

family and friends were suddenly outlawed. Schools closed and jobs were lost or put on hold. Throughout this period, water, energy and telecoms have been among the few remaining 'dependables' in daily life, and both the material and psychological importance of these things should not be underestimated.

With that in mind, coronavirus has provided a platform for increased dialogue between companies and communities around water security, water resources and water conservation. It has opened up new avenues for discussion on the 'value of water' and how this is communicated with customers.

It has also shone a spotlight on the important role water companies play at the backbone of the communities we serve – as employers, investors in the supply chain, sponsors of local charities and organisations, information providers, and quite simply as good neighbours in the communities in which we all live and work.

As society seeks to recover from the pandemic there is an opportunity for the water sector to completely reinvigorate the relationship it has with communities and bridge the trust gap between big business and society. As people seek dependability, certainty and job security, water companies stand among a handful of sectors which are well-placed to weather the economic storm. We plan for crises, invest in reliable services for the long-term, pay our taxes, provide high quality jobs, and support those in need during times of financial stress. There has surely never been a more optimum time to affirm our 'social contract' and build our reputation as an industry.

THE ULTIMATE STRESS TEST

Within all of this, actions speak louder than words. The pandemic has been the ultimate stress-test, laying bare the financial and operational resilience of every business in the land, and acting as the prism through which companies are judged for their willingness, and more importantly, capability to 'do the right thing'. Coronavirus has cut through the rhetoric around what it means to be a responsible and sustainable business, and the actions companies are taking to protect their customers and protect their people have become fundamental to how they are perceived, externally and internally.

At South West Water our focus on providing excellent, reliable services

continues and we are proud of the steps we have taken to support our customers and communities throughout the pandemic so far. Being a good corporate citizen requires more than just a commitment to deliver core services, and, as we look towards the future, we continue to assess ways to provide greater public value within our regions and engage our communities in new and dynamic ways. This spans everything from our affordability measures and community partnerships through to training, development and apprenticeships. Indeed, as part of the latter we have recently announced that we will be providing 50 work placements for young people on universal credit as part of the Government's Kickstart programme.

WATERSHARE+

We know from our research that customers want more than just the basics delivered reliably and affordably. They also want more of a say in how their water company is run and greater insight not just into what is being delivered, but how.

In the spirit of building greater trust through transparency we recently launched our WaterShare+ scheme, in which our one million-plus customers are being invited to choose how they receive their £20 portion of a pot of £20m earned from South West Water's outperformance over the past five years – either as a credit on their next bill or as shares in Pennon. This is being complemented by a series of quarterly, independently-chaired WaterShare+ Panel meetings open to the public – virtually at first, due to coronavirus restrictions, but then, as circumstances allow, at locations in Cornwall, Devon and Dorset. All of this is designed to empower customers and give us a better understanding of their needs, issues and preferences. Against the backdrop of the pandemic and the new challenges society is facing, it seems even more important now than we had initially envisaged.

Water companies provide the lifeblood of the country and coronavirus has made that more relevant than ever, particularly given our role in the green economic recovery. As a sector that was forged to protect health and hygiene in the wake of deadly disease, we now stand for so much more. We should be proud of that fact and take it upon ourselves to articulate it more loudly and clearly than ever.



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