

**May 2021**

**DRAFT v4: FOR FINAL APPROVAL BY THE ICG**

## **Independent Customer Group**

### **Purpose and Terms of Reference**

#### **Purpose**

The Independent Customer Group (ICG) will provide strategic challenge and insight to Scottish Water as it transforms to become a fully customer centric organisation implementing the Water Sector Vision and achieving the outcomes set out in its Strategic Plan.

Scottish Water seeks to build on its strong track record and be an inspirational and innovative organisation, developing a shared understanding of the challenges and opportunities ahead with customers and communities.

The ICG's purpose will be to challenge and support Scottish Water to:

- Enhance and further embed its focus on customers and communities, putting their needs and priorities at the heart of all they do and achieving service excellence.
- Embrace its commitments to delivering wider public benefit and enhancing the natural environment.
- Implement investment decision-making processes which reflect customer and community expectations and reassure customers that they are receiving great value now and in the future.
- Maintain and enhance customer service as it transforms to deal with the impact of global heating and go beyond net zero emissions.
- Adopt a more prominent profile as a confident, responsible, ambitious publicly owned company, leading, forming partnerships and driving change.

In all it does the ICG will support and encourage Scottish Water to meet its commitment to take every decision as if the customer were in the room.

The ICG will also:

- Support Scottish Water's fostering of an active relationship with the public on strategic priorities and charging through the development and implementation of the National Engagement Strategy.
- Develop a robust evidence base for strategic decisions by co-ordinating, and collaborating on, customer research with sector stakeholders and agreeing the interpretation of results.
- Provide considered input on customers' views of charges as SW develops its annual scheme of charging, in the context of the Ministers' Principles of Charging, and within the limits and expectations set out in WICS' final determination of the revenue required to meet long term strategic, regulatory and ministerial objectives.

## Principles

The ICG's role is a broad and responsible one, covering the full range of Scottish Water's activity. The following principles should guide the way in which it works, and in which Scottish Water enables and works with it. It will:

- Be hosted by Scottish Water– it will not be legally constituted as a 'public body'.
- Be operationally independent, entrusted and valued by Scottish Water's Board but free from any perceived capture, providing operationally independent input and constructive challenge.
- Have the opportunity to have its overall views included whenever plans are submitted by Scottish Water for approval to Scottish Government, WICS or CAS under industry governance arrangements.
- Operate within the policy framework set by the Scottish Government - the group will have no role to advocate changes to Government policy, that role sits with CAS (or Consumer Scotland if the role is transferred).
- Be recognised by other water sector stakeholders - and supported by them to fulfil its remit.
- Be proactive – engaging with Scottish Water, customers and communities on an ongoing and proactive basis supporting a process of continuous improvement and transformation.
- Be knowledgeable – using a wide range and variety of sources of information to understand the context, strategic challenges and opportunities impacting customers and communities.
- Be adequately resourced – the ICG should be given the time and resources to effectively fulfil its role, including the commissioning of research as discussed with the Research Coordination Group.
- Have an evolving role – the role of the ICG to be reviewed periodically to ensure it continues to be effective.
- Be credible to customers and communities, with the views of the ICG grounded in customer research and representation.
- Respect the confidentiality of any sensitive information received such as that covered by security requirements, commercial confidentiality or data protection. Members will not share information about the Customer Group or its work without the prior agreement of the Chair of the Group. As a part of Scottish Water, the Group's communications shall be subject to the Freedom of Information Act (Scotland).