Openness in Scottish Water:

A review of consultation, customer relations and communications in the Scottish Water Industry

Final report

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Introduction

This report seeks to evaluate the various ways in which Scottish Water consults and communicates with its stakeholders in the context of statutory obligations and official guidelines on disclosure and consultation. It examines and assesses potential sources of information on Scottish Water for stakeholders, and Scottish Water's communicative and consultation activities. These are compared and contrasted with best practice from other nations and regions.

This report is a scoping exercise which seeks to map Scottish Water's external communication functions. The research reviews the communicative obligations of public bodies in Scotland and the standard of conduct expected of them in legislation and official guidance. It then examines good and best practice in terms of consultation and openness in the water industry. This is used as a template for examining the public profile of Scottish Water. This report also considers the ease with which members of the public or other stakeholders are able to gain access to documentation relating to the obligations of Scottish Water. The efforts by Scottish Water to consult and communicate with the public is reviewed, including an account of communications promoting public meetings. In addition we briefly highlight some issues surrounding public relations in the Scottish water industry. Finally we discuss a case of crisis communications, namely the 2002 Cryptosporidium outbreak in Glasgow.

Overall, we evaluate the extent to which Scottish Water is living up to the standards expected of its communications. We conclude that there are a number of deficiencies in Scottish Water's openness and consultation procedures. These deficiencies raise the question of the extent to which the communications failures we identify are isolated examples of poor practice, whether they are temporary and possibly attributable to difficulties in the major organisational transition that created Scottish Water in April 2002, or whether they constitute a pattern which indicates more serious structural and cultural problems at Scottish Water.

Obligations of Public Bodies

As a public corporation there are certain expectations about how Scottish Water communicates with the public and is held accountable for its activities. These obligations include *inter alia*, public and stakeholder consultation, openness in public bodies, access to information, ethics, codes of conduct and corporate governance.

Consultation

The Water Industry (Scotland) Act 2002 requires Scottish Water to consult with the public on 'proposals for, and the undertaking of, any significant activity in the exercise of its core functions.' In pursuance of this a 'consultation code' must be produced. This code is to be agreed with the agency charged with representing Scottish water customers' interests, the Water Customer Consultation Panels for Scotland (WCCPS).

Informing and consulting the public

Scottish Water is subject to two key documents issued by the Scottish Executive under the Act. These are the General Directions and the Corporate Governance Directions. The latter states that the chief executive of Scottish Water should ensure that 'the public are informed about Scottish Water's policies and activities' (Scottish Executive 2002b: 8). The Board of Scottish Water is also required to hold a formal Annual Consultative Meeting within 6 weeks of publishing its annual report and accounts. This meeting must be publicised a week in advance and is intended to allow consultation with the public on 'strategic matters relating to any current, future or proposed exercise of its functions'. In addition the Board 'shall make arrangements' to allow the public to question the Chair and Chief Executive 'at appropriate intervals throughout the year' and shall 'enable deputations of individuals' to be received by the Board (Scottish Executive 2002b: 13).

Strategic Business Plan

The Corporate Governance Directions also require the preparation by 30 September 2002 of a strategic business plan, to be updated at least annually.

Openness in public bodies

The Scottish Executive states that it wishes to 'ensure that public bodies are open: informing and involving the public in their activities' (Scottish Executive 2002a: 12). Public bodies are to be accountable and 'have a duty to improve and strengthen their links to those who use the services they provide and to the general public' (ibid: 14). The openness of public bodies is to be underpinned by a series of measures designed to place information in the public domain and to afford opportunities for the public to access data and decision makers. Specific methods for promoting openness include publication of annual reports and accounts, hosting open board meetings and making supporting documentation available via websites or on request, holding annual open meetings, publicising information on the activities and policies of the organisation through the media and on the web (including the development of interactive services), and establishing consultation mechanisms with stakeholders and the general public (ibid: 15).

Clearly there is an expectation that public bodies such as Scottish Water must be open and accountable to identified stakeholder groups *and* the general public. The inclusion of the general public in these provisions is important as very often openness only extends to recognised and organised interests. While involving the general public in consultation and dialogue is often seen as expensive and time consuming, with marginal benefits to the 'bottom line', it can also be argued that the real participation of the public in the affairs of Scottish Water can enhance the organisations decision making processes and underpin the legitimacy of its actions.

Ethical codes of conduct

Scottish Water board members are bound by the Ethical Standards in Public Life etc (Scotland) Act 2000.[1] This highlights the importance of openness, accountability and stewardship, integrity and honesty as key guiding principles.

Under the Act Scottish Water is required to produce its own code of conduct to put the Act into effect. The Scottish Water Code states that board members must live up to

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[1] http://www.scotland-legislation.hmso.gov.uk/legislation/scotland/acts2000/20000007.htm

general principles of integrity, accountability, openness and honesty (Scottish Water 2003).

Public bodies are also advised by the Standards Commission for Scotland to 'facilitate the process by ensuring that information about the [Ethical Standards in Public Life etc. (Scotland)] Act, the Codes of Conduct, and the roles of the Commission and its Chief Investigating Officer is widely available at their various offices and public buildings. Public Bodies should also ensure that their own Codes of Conduct are available directly, or through links, on their own web-sites'.[2]

Access to government information

Scottish Water is also subject to the general rules on access to government information contained in the Code of Practice on Access to Scottish Executive information,[3] or the Freedom of Information legislation (Freedom of Information Act (Scotland)).[4] The former states that the code 'commits' public bodies to 'publish, or otherwise make available, explanatory material on the Scottish Executive's and other public bodies' dealings with the public (including such rules, procedures, internal guidance to officials, and similar administrative manuals as will assist better understanding of these bodies actions in dealing with the public) except where publication could prejudice any matter which should properly be kept confidential under Part II of the Code.' The exemptions under Part II relate to personal and commercial confidentiality and the public interest.

In addition the code states that 'Where information cannot be provided under the terms of the Code, an explanation will normally be given.' The Freedom of Information Act (Scotland) does not come into force until 2005, but it makes similar provision.[5]

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[2] Ethical Standards in Public Life in Scotland. Guidance note to devolved public bodies in Scotland
http://www.standardscommissionscotland.org.uk/guidance_devolved_public.html
[3] http://www.scotland.gov.uk/government/foi/codesofpractice.asp
[4] http://www.scotland.gov.uk/government/foi/foioverview.pdf
[5] The website of the Information Commissioner gives this description of the Act: 'public authorities have to allow access to the following information: the provision, cost and standard of its service; factual information on decision-making; and the reasons for decisions made by it… There will be exemptions - information relating to national security and defence, police investigations, and the formulation or development of government policy. If a public authority decides not to release information, as it considers it exempt, it must give reasons for its decision. This 'refusal notice' will allow the applicant to request a

Government communications

The release of information to the public from public bodies is also governed by a further set of guidelines for government information officers. These affect the work of all information and public relations staff in public bodies and not just members of the Government Information and Communication Service (GICS). They require, amongst other things, that communications work 'should be objective and explanatory, not tendentious or polemical. The treatment of information should be as objective as possible… Government information or publicity activities should always be directed at informing the public'.[6]

To sum up there are a number of general and specific ways in which the Scottish water industry is supposed to communicate and consult. We list these here for ease of reference in the evaluation below.

General requirements

- Should consult the public in relation to any significant activity.
- Should keep the public informed including making documentation available and hosting open meetings.
- Should be guided by principles of integrity, accountability, openness and honesty.

Specific requirements

- Should hold a formal consultative meeting within six weeks of publication of its annual report.
- Should make arrangements for consultation and deputation's of individuals to question the Chief Executive, Chair and Board.
- Should produce a Strategic Business Plan by 30 September 2002.

review to the decision, and then to seek a determination from the Scottish Information Commissioner.'
http://www.itspublicknowledge.info/act/act.php

[6] Guidance on the work of the Government Information Service (published July 1997) http://www.cabinet-office.gov.uk/central/1999/workgis/index.htm

- Should ensure that information about the Ethical Standards in Public Life Act and its operation are available at the offices of public bodies.

- Should publish their code of conduct on their website.

- Should provide access to information on the workings of public bodies.

- Information should be objective and explanatory and not tendentious or polemical.

We will return to this checklist in the conclusion to evaluate the extent to which these requirements are met across the Water industry in Scotland.

Openness and availability of documents

In the course of this research we examined a wide range of public sources of official documents, starting with the web-site of Scottish Water and also examining web-site at the Scottish Executive, Scottish Parliament, the Stationery Office and the Standards Commission for Scotland. We also contacted public libraries and the Scottish Parliament Information Centre (SPICe), the official information and research resource for MSPs. We were unable to obtain copies of the following key documents from these (and other) public sources:

Scottish Water General Powers Directions

Scottish Water Corporate Governance Directions

Scottish Water Delegated Limits Directions

Commissioning letter to the Water Industry Commissioner from Sarah Boyack, Minister for Transport and the Environment, 8 November 1999.

Commissioning letter to the Water Industry Commissioner from Ross Finnie, Minister for Environment and Rural Development, 21 August 2001.

Scottish Water Strategic Business Plan

Scottish Water Code of Conduct

At the time of writing (September 2003) Scottish Water's strategic business plan has not been published some 12 months after it was due to be submitted to Scottish Ministers for approval by 30 September 2002. The delay in making this information available to the public clearly reduces the ability of those interested in participating in any consultation on strategic matters to make a fully informed contribution. However, we understand that the reason for the plan being withheld from the public domain is that it is still being considered by Scottish ministers. We were able to obtain copies of the other documents only by directly contacting the relevant civil servants in the Scottish Executive (for the directions and commissioning letters) and the Scottish Commission for Standards in Rosyth. Upon enquiring whether the Directions were available to the public, a Scottish

Executive civil servant wrote that the documents: 'represent a contractual agreement between the two [Executive and Scottish Water] and as such would not appear in the public domain. They are not formally confidential or restricted documents but serve to lay down rules and regulations across the entire range of the bodies responsibilities'.[7] This kind of position is liable to be understood as reflex obfuscation by members of the public. The Scottish Water code of conduct should be available on the Scottish Water website, yet we had to get a copy from the Standards Commissioner.

The record on openness in relation to public documents therefore leaves much to be desired. There is no reason why all of these documents could not be available on the websites of Scottish Water, the Scottish Executive and the Water Industry Commissioner for all to see.

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[7] Correspondence with authors 22 May 2003

Communication about public meetings

Scottish Water is required to hold various public meetings. We have found that those it does hold are poorly attended. One reason for this may be that they appear not to be widely publicised. In the past year there have been no reports of Scottish Water board meetings in our press sample.[8] This contrasts with one report on each of the predecessor authorities in the previous year. In one case North of Scotland Water announced that its meetings were usually held during the day but the company felt that a 6pm start would make the meetings more accessible to the public. It is notable that this attempt at inclusiveness has not been replicated in Scottish Water (See appendix 1).

Take for example a Scottish Water public board meeting of Scottish Water in March 2003 in Aberdeen. The meeting took place at 2.30 pm in the afternoon, which immediately precludes most of those working from attending. There is little evidence that Scottish Water actively publicised this meeting, and as such only 3 members of the general public attended. The published agenda for the meeting failed to indicate that time would be set aside for questions from the public to the board. By contrast, meetings of the Water Customer Consultation Panels Scotland have attracted much greater interest from the public, not least because they are well publicised and promoted, and take place at convenient locations in the evening to facilitate access by as many people as possible.

Scottish Water hosted its first Annual Consultative Meeting (ACM) on 20 August 2003,[9] in accordance with the provisions of the Water Industry (Scotland) Act 2002. The meeting is required by the Scottish Executive to allow interested parties and the general public to communicate directly with the board of Scottish Water and to raise issues and questions relating to the organisations performance and future plans. This meeting was publicised through advertisements placed in the national press on 13 August, notably *The Herald*, the *Daily Record,The Scotsman,* the *Aberdeen Press & Journal*, and the *Dundee*

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[8] This sample is based on electronic documents available on the Lexis Nexis database which includes comprehensive coverage of all Scottish/British national newspapers, many local papers and trade publications.
[9] The ACM took place at Dunfermline Athletic Football Club at 3.00 pm in the afternoon.

Courier. The meeting was also publicised on the home page of Scottish Water's web-site, and those intending to participate were invited to submit by e-mail any questions they might like to ask of the board to Scottish Water's director of public affairs.

The ACM was attended by all the executive directors of Scottish Water, though four non-executive directors were not present. There were approximately 30 individuals in attendance, though it later transpired than many of these were actually Scottish Water employees on hand to deal with questions that might arise relating to their particular areas of competence. The format of the meeting, which ran for an hour and a half, was divided equally between presentations from five board members[10] and a question and answer session.

The question and answer session began by first taking those questions that had been pre-submitted. The relevant directors had prepared answers that covered, sometimes in detail, the issues raised. Such a system does allow for comprehensive and accurate responses to questions raised,[11] but it is also a well established public relations tactic that allows an organisation to 'manage' difficult and hostile issues by scripting and rehearsing answers to uncomfortable questions. While it is difficult to judge whether this was the case at Scottish Water's ACM, it is important that such tendencies are avoided. In future Scottish Water could explicitly state (on their web-site and in their advertising and promotion of such events) that spontaneous questions from the floor are equally welcome. The impression from this part of the ACM was of a rather anaemic and ritualised exchange that complied with the letter of the law, though not perhaps its spirit.

The subsequent questioning at the ACM was certainly more interactive, and it was not obvious that the quality of these exchanges was adversely affected by directors not being

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[10] The presentations at the ACM were made by: Professor Alan Alexander, Chairman of Scottish Water; Dr. Jon Hargreaves, Chief Executive; Douglas Millican, Finance Director; Cheryl Black, Customer Service Director; and Geoff Aitkenhead, Assets Management Director. Each of these presentations was effectively an oral recitation of information readily available in the Annual Report.
http://www.scottishwater.co.uk/html/report_archive.html
[11] Those attending the ACM were provided with a question sheet which stated that Scottish Water were happy to answer questions and invited participants to submit written questions, either for an answer at the ACM, or if preferred, in writing at a later date.

primed. The only contentious question that arose related to the issue of fair and proportionate water charging for NGOs and charities. It was clear from the profile of those addressing the board that nearly all participants were there in some official capacity representing various organisations or interests, and that hardly any members of the general public were present. While this is not an exceptional phenomenon it does raise questions about the nature of such exchanges and the place of the public in these matters.

If Scottish Water - and the water industry more generally - do want to properly 'consult with and seek the views of members of the public' as the Corporate Governance directions state, then a there is a need for a significantly greater effort to inform and engage the public. There are a number of significant measures that Scottish Water could take in this respect which we return to in the recommendations at the end of this report.

Scottish water industry public relations

The first year since the creation of Scottish Water has been a bumpy ride for the new public corporation. The hostility from sections of the media has perhaps not been the best environment in which to create an information apparatus to serve the public interest. Certainly, the first year saw some flux in the external communications department of Scottish Water, notably with the appointment of several former journalists including BBC producer Atholl Duncan as head of corporate affairs. In the course of our research we were interested to learn more about the organisational set up of Scottish Water's external communications operation and to determine the ease with which information would be supplied by the organisation. Accordingly we wrote to the Director of Customer Services Cheryl Black to ask for a number of documents and for information about external communications. In our enquiry we stated that we were engaged in research for the Water Customer Consultation Panels. Cheryl Black responded as follows: 'We have no knowledge of the work you are doing and until it is clear what the information is likely to be used for we are not prepared to release it, given the commercial nature of some of the information.'[12] After some negotiation and a formal written request for the information from the WCCP we did receive answers to our questions, together with a number of documents. This was a welcome outcome, but our experience in negotiating access to basic information was a salutary reminder of the almost instinctive barriers which public bodies can erect to deny information to the public.

Amongst the information we requested was a statement about external communications and the use of public relations agencies by Scottish Water. This is a topic of some concern in Scotland, not least in relation to public sector PR accounts. Scottish Water did finally release this information, in the form of a statement written by press officer Janice Mack, which is contained in Appendix 2. In particular we can note that Scottish Water spent some £140,000 in external public relations support in 2002-3. Scottish Water requested that the name of the PR consultant who was engaged to write Scottish Water's Sustainable Development Report and their first Annual Report not be published. As can be seen in Appendix 2, this is at the request of the PR consultant concerned. Accordingly

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[12] email to the authors, 14 May 2003.

we have removed the name of the relevant person. This is a rather bizarre situation in the context of openness in communication by a Scottish public body.

Our research on the operation of Scottish Water's public relations operation has uncovered two areas of concern. The Scottish Water web-site contains an archive of press releases. A review of some of these and associated background documentation suggests that some of their press releases may cross the line between objective and non tendentious information and PR techniques more associated with 'spin'. For example a press release was issued to coincide with the Incident Management Team report on the cryptosporidium outbreak in August 2002. Some of the detailed and searching criticisms of Scottish Water are cited below, but the Scottish Water press release described the report as follows: 'Details of the improvements made by Scottish Water are revealed in a report'. The rest of the release is devoted to selectively highlighting the successes of Scottish Water without any mention of the criticisms in the report.[13]

A second example concerns a report that a Scottish Water testing laboratory was to be closed down. This appeared in *The Scotsman* on 3 April 2003.[14] A media statement on this had been prepared dated 28 March, but it was not released until the journalist concerned tracked the story down at the beginning of April. We reproduce the statement in Appendix 3. According to the journalist, Scottish Water stated that they 'weren't releasing [the media statement] unless it was asked for.' [15] This is the kind of PR technique often used in the private sector and by PR consultancies, but it is hard to see how sitting on potentially damaging stories like this can be consistent with the openness and objectivity required of public bodies. The statement is still not on Scottish Water's web-site.

Furthermore in our enquiries we asked Scottish Water's Customer Services director Cheryl Black if all of Scottish Water's media statements were available on the Scottish

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[13] 2003/02/21 Scottish Water Committed to Reducing the Risk of Cryptosporidium in Glasgow. http://www.scottishwater.co.uk/html/press_releases_1.html
[14] 'Water testing lab closure plan raises health fears', The Scotsman, 3 April 2003 http://news.scotsman.com/index.cfm?id=391362003
[15] email to the authors from James Doherty of the *Scotsman*, 7 April 2003

water website. She replied that 'I can confirm our website contains Scottish Water's media statements.'[16] It is clear that this is a statement which is at best capable of misinterpretation.

We conclude from this that there are significant concerns about the extent to which the public relations activities of Scottish Water meet the standards required of public bodies in general on openness and transparency or the specific standards on objective and non tendentious information in the guidance issued by the Cabinet Office. In this limited scoping study we have been unable to undertake detailed work on the operation of Scottish Water's PR operation, but grounds for concern remain.

Water Industry Commissioner

In the course of our research Scottish Water was the subject of some trenchant media criticism about water charges. In particular we can point to an edition of BBC Scotland's *Frontline Scotland* programme 'Trouble at the tap', broadcast on 13 May 2003, a special report in the *Economist* magazine and an 'authored' report by the Economist's Scottish correspondent on BBC2's *Newsnight Scotland* (broadcast on 29 May 2003), together with a rash of associated press coverage. In the course of this coverage the Water Industry Commissioner (WIC) featured prominently. In terms of our brief to examine openness and communication in the Scottish Water industry we would note some areas of concern about the role of the WIC in this coverage. First of all, the BBC *Frontline Scotland* programme (which was highly critical of Scottish Water) was promoted as having gained exclusive access to the findings of the Water Industry Commissioner. We note at the time of the broadcast, the Commissioner's findings had not been communicated to Scottish Water, or to the Scottish Executive to whom the Water Industry Commissioner is accountable. The selective communication of the findings via the media gives rise to concerns about the openness and transparency of the WIC's communications.

A further concern during this period was the potential for misinterpretation of the WIC's comments in the media about Scottish Water charges. On the BBC's *Frontline Scotland*

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[16] email to the authors from Cheryl Black 14 May 2003.

programme he stated that 'The reason they [customers] are paying too much for their water is because of the inefficiencies in the running costs and the capital costs'. While this could be considered fair comment, it fails to take into account that the charges payable by customers are the result of the regulatory framework in which Scottish Water operates - a framework significantly affected by both the Executive and the WIC. In fact, of course, the charge scheme operated by Scottish Water is specifically approved by the WIC. Indeed in a media statement issued in January 2003, approving Scottish Water's charging scheme, the WIC is quoted as saying:

> No customer ever wants to pay more - but we all want a good level of service, an improved environment and secure public health. In the Strategic Charges Review my advice to Ministers allowed increases in price but expected significant efficiencies in the operation of the water and sewerage service and in the delivery of the Investment Programme.[17]

This statement is not available from the archive of press releases on the website of the WIC, although it is still on the website of the Scottish Executive. The involvement of the WIC in criticising Scottish Water in the media in this way does raise concerns about the objectivity and non-tendentious nature of information issuing from the office of the Water Industry Commissioner.

In the course of our research we discovered that the Water Industry Commissioner has retained the services of a lobbying consultancy GPC International, in the first half of 2003, the period covered by these issues.[18] GPC keeps an office in Edinburgh, but is part of a much larger lobbying and PR group. The use of PR and lobbying consultancies together with public relations techniques more reminiscent of 'spin' than objective and open information provision do raise questions about the extent to which the Scottish public can rely on the information emanating from sections of the Scottish water industry.

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[17] Water and sewerage prices for 2003-04 30/01/2003,
http://www.scotland.gov.uk/pages/news/2003/01/seen310.aspx
[18] Association of Professional Political Consultants, *Register of Members*, December 2002-May 2003,
http://www.appc.org.uk/registers/dec_02_may_03.pdf.

The public profile of the Scottish Water Industry

This section of the report is seeks to outline the public profile of those concerned with the operation and oversight of the Scottish water industry. As such it will focus on information available to the public through traditional and new media relating to the following organisations: Scottish Water; the Water Industry Commissioner (WIC); and the Drinking Water Quality Regulator (DWQR). The objective of this section is to sketch the kinds of information readily available in the public domain that might inform public perceptions and understandings of how Scottish water services are managed and delivered.

Scottish Water

We were interested in examining the wider profile of Scottish Water and to some extent how this had changed over time. We conducted a number of searches on the internet and examined the media profile of Scottish Water. [19]   In a search of Scottish, UK and international newspaper reporting of Scottish Water we noted around 1500 separate items mentioning Scottish Water in the first year of its existence. This sample shows that Scottish Water was covered across a range of newspapers in Scotland and also in England, Wales, Ireland, France and Canada. Of the nine major stories on Scottish Water eight were critical or negative in tone with only one category of stories - amounting to ten items out of a total of around 1500 - praising Scottish Water. The overwhelmingly negative coverage was replicated in a survey of stories on BBC Online that we conducted.

Given the rather negative tone of much of the reporting since Scottish Water has come into existence, we might speculate on the effect this has on morale inside Scottish Water. Interestingly there were approximately 20 news stories in the year specifically criticising Scottish Water's communications with customers. By contrast there were only seven items (all in either the *Edinburgh Evening News* or the *Aberdeen Press and Journal*) announcing Scottish Water planned works. The critical coverage of Scottish Water and

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[19] Using the Lexis-Nexis database and the facilities offered by the search engines like Google (www.google.com)

its communicative efforts is not altogether surprising given the issues Scottish Water has faced in its first year and what we have uncovered in relation to concerns over its public relations activities and the apparent failure of Scottish Water to fully publicise its activities.

In the PR world it may be tempting for an organisation under attack either to turn inwards and issue less information or to come out fighting. But neither of these are solutions for a public body with specific responsibility for openness and accountability.

Online Profile

We searched the internet for web pages that link to Scottish Water's homepage. This gives a crude picture of the profile of Scottish Water online amongst stakeholders in government, regulatory agencies, NGO's, consumer groups and others. We found a total of 269 web pages linking to the Scottish Water homepage. Of these, around 40% were from other Scottish Water web-pages, followed by UK government, UK academic, water authorities and environmental regulators, predominantly SEPA.

By way of comparison Thames Water is linked to by 339 sites, SEPA by 1,130 websites, and the Californian state water utility (wwwdwr.water.ca.gov/) by 1,530. This suggests that Scottish Water does not have a very high online profile and has yet to establish its presence on the web. It would appear that Scottish Water has not invested much effort in seeking to make its website an interactive means of communication or a proactive tool for consultation. This supports our analysis of the Scottish Water website which revealed a dearth of information for consumers, customers and policy stakeholders.

The Scottish Water website (*www.scottishwater.co.uk*) appears at first glance to have a relatively simple design. However, behind this layout is buried some information and documents that could be given a higher profile and greater prominence, especially in relation to Scottish Water's ongoing development schemes and planning proposals.

The website includes:
- an outline of their achievements since the merger of the three former water authorities
- contact information (both emergency and general enquiries) and an online feedback form
- a detailed list of both the household and business scheme of charges for 2003/04, and dedicated sections of the site for these two client groups

Additionally, the website contains recent press releases and an archive of older news statements.

Customers are told that if Scottish Water fails to meet the standards of customer service guaranteed in their code of practice, then users may be entitled to compensation. However, a copy of Scottish Water's code of practice can only be obtained by calling a customer service helpline. There would not appear to be any sound reason not to place this document on the website.

A recurrent and problematic feature of the website is the reliance on the customer service helpline to address queries and complaints. This may not suit all customers, and appears to put obstacles in the way of customers gaining information about Scottish Water on the internet. ScottishWater do put some downloadable (PDF) documents on the website, such as leaflets explaining household (and business) charges as well as details of public information campaigns relating to domestic waste (Bag it and Bin it, Don't Flush it), and bogus callers, including downloadable leaflets with advice if in doubt about the identity of callers.

Some details of planning and developments relating to Scottish Waters activities are available on the web site. On the home page there is a link to the Loch Lomond catchment area development plan, and a link to the Milngavie Reservoirs Recreation and Conservation plan. This page includes a link to the consultation document, and invites anyone interested to respond, allowing them to raise issues and concerns not specifically set out in the document. This is welcome, but on its own will not be enough to ensure the widest possible participation (and thereby legitimacy) in the planning process.

The interactive features on Scottish Water's website are found under the 'Contact us' hyperlink. Somewhat surprisingly, there is no search facility. On the contact pages Scottish Water supply a post office box address for correspondence (but fail to give any contact details for their offices and plants throughout Scotland), nor indeed the names of any relevant personnel. The Feedback Form available on the website allows comments to be e-mailed to Scottish Water, but there is no indication of what happens to this information, save that it will be treated in accordance with the 1998 Data Protection Act. The disclaimer on this pages states: 'These pages contain general information only. Although Scottish Water makes every effort to ensure that it is accurate, no-one associated with this site accepts any responsibility for the consequences of anyone relying on it'. This message is unlikely to inspire confidence in Scottish Water's online communications.

In general Scottish Water's website could be improved by addressing the following:

- Making more information and documentation available on the website;
- Putting a more human face on the website, including contact details for key personnel (postal, e-mail, phone);
- Installing a search facility on the website;
- Making the website more interactive, especially in relation to e-mailed queries, outlining how queries are responded to - a feedback function from Scottish Water to public;

- Prominent section detailing Scottish Water's planning and development activities (ongoing and completed).

We understand that Scottish Water is planning to redesign its website in the near future. We would hope that due consideration is given to the issues raised above and the Scottish Water will seek to ensure that its website becomes a useful communication channel and information resource for all its customers and stakeholders.

Water Industry Commissioner
Since the inception of Scottish Water in April 2002 the Water Industry Commissioner (WIC) has had a rather low profile in the Scottish print media, and specialist trade publications. This is a slightly surprising finding given the key role that the WIC plays in the affairs of Scottish Water and its ability to meet public expectations regarding water charges and levels of service. It was notable that the commissioner rarely makes headlines in his own right. A search of online news databases revealed 88 stories in 2002/3 relating to the WIC, with the commissioner the prime focus of less than 20% of these. The majority of these stories simply referenced the WIC as the regulator of Scottish Water. These reports tended to be about some aspect of Scottish Water's performance and the WIC is simply mentioned in passing.

Where the WIC was the main focus of the news reporting, this was usually related to set piece events such as the publication of reports. The WIC published three reports in the period since the creation of Scottish Water which received some media attention: a report on Scottish Water's customer communications after the cryptosporidium outbreaks in Glasgow and Edinburgh in 2002; the Investment and Asset Management Report 2000-02; and the Costs and Performance Report 2001-02.

What media coverage there is surrounding each of these reports tends to be critical of Scottish Water. The report on Scottish Water's communications during the cryptosporidium outbreaks is discussed elsewhere in this study. It is undoubtedly the case that the WIC raised many important points which Scottish Water now claim to have acted

upon. In relation to the other WIC reports it is worth noting that they both refer to the period prior to the amalgamation of the three water authorities into Scottish Water in 2002. In both cases the WIC criticised the performance of the water authorities. The negative publicity generated by the WIC's Costs and Performance report can be read from the WICs press release on 19 February 2003.[20] Similarly, the limited press reporting of the report on Capital Investment draws heavily on the news release issued by the WIC.

The Water Industry Commissioner again had a relatively low profile in 2001/02, given the historic changes taking place in the Scottish water industry. The WIC was mentioned in 29 articles found in a search of online news databases. In only one of these stories was the WIC the main focus of the news - and this was an article penned by the WIC in *Scotland on Sunday* (19 November 2001) outlining his vision for the Scottish water industry. The majority of the coverage in which the WIC featured related to debate in the Scottish Parliament on the Water Industry Bill and the WICs publication of his Strategic Review of Charges 2002-06 in November 2001. Predictably, in both these cases, the political wrangling over the future of the Scottish water sector took prominence over the role of the water industry regulator.

What is clear from reviewing of press coverage of the Water Industry Commissioner is that the regulator has a rather low public profile and that the general public can neither know nor understand very much about the regulatory architecture of the Scottish water industry based on what is reported in the mainstream press. This perhaps partially explains the confusion of many of those members of the public coming to the open meetings organised by the WCCPS. Some thought they were coming to speak to representatives of Scottish Water itself, while others assumed they might be meeting the regulator. It is also consistent with other research commissioned by the WCCPS on attitudes and expectations of business customers regarding their water supply. Only 1% of respondents expected to contact the WIC to make a formal complaint against Scottish Water. Over half (54%) expected to contact Scottish Water directly, and 18% admitted they did not know whom they should contact. Moreover, 49% of businesses did not know

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[20] http://www.watercommissioner.co.uk/NR%2006-2003%20Costs%20and%20Performance.html.

how their water charges were calculated. (MRUK, March 2003).[21] These findings are even more pronounced among domestic customers with 76% unaware how their water charges are calculated and the WIC did not register among the general public as an authority for dealing with complaints about Scottish Water (Scottish Consumer Council/NFO May 2003).

Online Profile

The WICs online profile has not changed much since 2000. The website for Scotland's water regulator (http://www.watercommissioner.co.uk/) contains information on the following:

- The office of the Water Industry Commissioner for Scotland;
- Promoting Customers Interests through Customer Service Regulation;
- Economic Regulation;
- Consultation;
- News Releases & Published Documents;
- Links to related sites.

In assessing the WICs online profile we have looked at this website with a view to finding user friendly information about the structure and governance of the Scottish water industry. A useful looking starting point appears to be the link to a 'Fact Sheets Index'. The site (accessed up to June 2003) contains this link on the home page but the 'Fact Sheets Index' remains 'Under Construction'. However, older versions of the WIC's fact sheets are available on the site, for example via a link on the Consultation page, 'Summaries of Public Meetings'. This page links to a page titled 'Fact Sheet 6 - Consultative Committees.[22]

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[21]   We understand that these findings are also consistent with Scottish Water's own market research.
[22] http://www.watercommissioner.co.uk/FS%206%20Consultative%20Committees.html#Links%20to %20meetings%20and%20reports. A link to the bottom of this page takes the viewer back to a full Fact Sheet index This is an example of how the fact sheet page can be accessed. It is similarly available from other links throughout the WICs website.

It is clear from reviewing the content of many of the pages on this website that they have not been updated since the inception of Scottish Water in April 2002. There are repeated references to the 'three water authorities' that preceded the creation of Scottish Water and the feel of the website is of one that is noticably out of date, and thereby of diminished value to the public. There is almost no indication that any other organisation exists to represent water customers, save the link from the WICs website to the Water Customer Consultation Panels homepage.

The site does not have a search facility and is thereby less open and accessible to the general public than it might be. The design is plain and could be said to be uninspiring, with very little interactivity available to those who might want to use the site as a means of contacting and interacting with the commissioner. This neglect should be rectified given that the WIC has a statutory responsibility to investigate complaints against Scottish Water. Either a dedicated facility to lodge a complaint online should be featured on the site, or else members of the public with complaints should be explicitly directed to contact the commissioner by e-mail.

The WICs low profile in the press is replicated online. There are comparatively few links on the web to the WIC homepage (44 for the WIC, compared with 409 to Scottish Water's homepage). It must be hoped that if and when the updated WIC website is launched it will be more user friendly and inviting to potential users, not simply in the policy community, but the general public also.

The Drinking Water Quality Regulator

The Drinking Water Quality Regulator (DWQR) attracted considerable public exposure in this first year in office, given the water quality issues that arose in relation to Scottish Water in the past twelve months. Our search on online news databases found 46 stories referring to the DWQR, of which 11 were principally about the DQWR. Of these, two refer to the announcement of the appointment of the DWQR, six relate to the DWQRs

report on the cryptosporidium incidents in 2002, and three stories were critical in tone, focusing on the fact that the regulator, Tim Hootan, decided not to cut short his holidays to personally manage his organisation during the cryptosporidium outbeaks.

The rest of the press coverage of the DWQR in the period essentially used quotes from the regulator on matters relating to Scottish Water. The DWQR was referred to on stories relating to cryptosporidium, lead contamination in water pipes, trihalomethans (THMs) in water, as well as features on the general performance of Scottish Water, and in stories following up Peter Jones' Economist article promoting the privatisation of Scottish Water.

The lack of an online presence for the DWQR is somewhat surprising, though the regulator may not see itself as a public facing organisation. This is probably true for most of the time, though the recent cryptosporidium outbreaks demonstrated that there is no facility for putting information on water quality testing processes and results into the public domain. Perhaps the creation of a website for the DWQR might redress this gap in official reporting.

Crisis Communications

While routine communications with customers and stakeholders is a significant part of Scottish Water's external relations, it is also important to consider how the organisation communicates with those affected by its activities outwith normal and routine circumstances. For a utility such as Scottish Water, providing an essential public service upon which many communities rely, it is important to be seen to behave responsibly, especially in relation to health and safety concerns. Communication is rightly understood as an integral aspect of responsible organisational citizenship, but only when and where it is matched by operational responsibility.

The outbreaks of Cryptosporidium in both the Glasgow and Edinburgh water supply in August 2002 provides some evidence about Scottish Water's communicative conduct in non-routine conditions. It would appear that the organisation's communications regime was not guided by the principles of openness and transparency that are vital to retaining public confidence in such circumstances.

There have been a number of official reports and advice papers (to the ad hoc Ministerial Group on Public Health and Water Supplies) published which touch upon aspects of Scottish Water's communications and public relations during the Cryptosporidium incidents. These include:

- Guidance published by the Scottish Executive on January 10, 2003. It is based on advice from the Expert group led by Professor Bouchier, which the Executive published on November 5, 2002.

- A review of cryptosporidium implementation by the Drinking Water Quality Regulator was published on January 10, 2003;[23]

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[23] http://www.scotland.gov.uk/library5/environment/dwqrr.pdf

- Revision of Guidance on Roles and Responsibilities of Incident and Outbreak Control Teams (ICTs and OCTs) published on 30 January.

- A report by the Water Industry Commissioner for Scotland on the provision of information by Scottish Water to Customers during the Glasgow outbreak, published 21 February 2003.[24]

- A report by the Incident Management team published in February 2003.

The contents of these reports point to a worrying failure on the part of Scottish Water to communicate effectively with key publics. The Water Industry Commissioner (WIC) for Scotland paints a very bleak picture of Scottish Water's efforts to address and inform customers during the Cryptosporidium outbreak. The WIC recommends that 'what must be in place … is a definite framework around which decisions and communications may be made quickly, effectively, and efficiently. This contrasts with the approach of Scottish Water to this incident…Any incident is likely to have both operational and customer communication aspects and this should be properly recognized in an appropriate incident response plan' (WIC 2003:3). The Commissioner also highlights the absence of a priority register of vulnerable customers (such as those in hospitals and those working in food preparation and tourism sectors) who need to be contacted at the earliest possible time.

While recognizing that Scottish Water did make provisions to contact customers affected during this incident, the WIC concludes that 'this contact could have been far more effective if a clear, consistent and accurate message had been available' (ibid.). A key concern relating to communications by Scottish Water at this time was the worrying delay in issuing a 'boil notice' press release to the general public on Saturday, 2 August. The precise reasons for this delay are not apparent, though the WIC insists that Scottish Water must in future 'be aware of the various deadlines imposed by all types of media that could be employed in communicating urgent or critical messages to customers. In

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[24] http://www.scotland.gov.uk/library5/environment/wicfinal.pdf

particular, an element of the flexible incident response should include a media checklist which covers deadlines, key contacts and types of coverage. This needs to be made the responsibility of a single individual' (ibid: 4).

The WIC recommends that quality control of communications during a public health incident should rest with one individual, who is free to take final decisions on media and PR options. This discretion is framed by an obligation that 'all reasonable efforts are made as quickly as possible to keep customers informed' (ibid.). The WIC notes in particular that:

> Draft copies of boil notices and other warnings should be developed. Each of the three water authorities did have standardised boil notices but it seems that Scottish Water did not have such a notice. These notices should need only to be customised with specific details prior to distribution (ibid.).

According to a consultant's report undertaken on behalf of the Drinking Water Quality Regulator (DWQR) the delay in issuing the boil notice to affected populations was 'that there were problems associated with deciding the wording of the boil notice, and consequent delays in issuing it to customers' (Binnie Black & Veatch 2002: 38). This accords with the formal report by the Incident Management Team (IMT), which admits that they boil notice was delayed as there was a concern that babies could ingest bathing water, and this concern should be reflected in the boil notice (i.e. telling parents and guardians to bath children in water only after it had been boiled and cooled): 'in debriefing the IMT consider this last concern was poorly communicated and unnecessary. This advice will not be included in any revision of the WHP' (Waterborne Hazard Plan) (IMT 2003: 44). However, the IMT are silent about another reason for the delay suggested by the DWQR consultants: 'One delay appears to have related to the change of name from West of Scotland Water (on all pre-printed Boil Notices) to Scottish Water' (Binnie Black & Veatch 2003: 38). That an issue of corporate branding may take precedence over public health is an extremely worrying charge and suggests the need to

firmly establish public health as the overriding concern in such situations. The IMT do concede that:

> Media relations for the incident were led by a SW press officer and the incident relied heavily on their extensive staff for communication. This relationship worked well. The IMT consider however that the NHS board should provide the lead during future incidents. The rationale for this is to ensure public perception of impartiality (IMT 2003: 45).

The confusion and incoherence of Scottish Water's customer address during this incident is reinforced when reviewing the different accounts of the management of the problem. The WIC report at times reads like a lecture to Scottish Water on how to communicate with the general public and other stakeholders. The commissioner recommends that Scottish Water needs to recognise that broadcast media command the greatest audiences, that airtime can be paid for, obtained through news stories or through public emergency announcements. It is suggested that in agreement with all stakeholders (notably public health authorities) draft texts for press releases, Message Link phone lines, posters and web should be prepared for various types of incidents. The 'definite lack of preparation for a major incident' (WIC 2003: 5) is a serious neglect for a utility such as Scottish Water. The regulator also criticises Scottish Water for issuing inaccurate information to call centre staff and for failing to communicate the potential seriousness of the incident to the Consultant in Public Health Medicine (CPHM) and the DWQR.

A further concern relating to the openness of Scottish Water in such crisis situations is the inconsistencies in the available accounts of how the incident was managed. The WIC notes that 'in the various versions of events, we have sought at all possible opportunities, corroboration of evidence supplied during the investigation. In general the inconsistencies in the evidence result from differences in the account of Scottish Water and those of others involved in the [Glasgow] incident' (ibid: 7). This echoes an explicit caveat contained in the DWQR consultants report which questions the available accounts of the Incident Control Team's conduct:

It is understood that the formal minutes of the ICT record the membership of the team, and were produced and approved as required by the WH[I]P. These minutes have not been made available to the audit and should be examined in relation to this report when available. It will be most important to be sure that the minutes have been signed off by all members of the ICT, without subsequent amendment by others. The Minutes should provide a blow by blow account of the views of all the authorities and organisations involved. (Binnie Black & Veatch 2002: 38)

It would appear that there were also problems in the media handling of the Edinburgh outbreak. The Scottish Water timeline records indicate that the media contacted Scottish Water about a water problem at 13.00 on 9 August 2002. Two and a quarter hours later an interim press release was issued in error (it had not been approved by the ICT). At 17.50 an ICT approved press release was issued (though this does not agree with the ICT minutes). At 18.00 on August 11 Scottish Water issued a press release on water quality testing (ibid: 43). It also seems to be the case that the Scottish Executive and possibly others (the crisis management team) also tried to play a role in communication during this incident, which was seen to be unhelpful.

One of the outcomes of all these reviews and reports has been the creation of a team within Scottish Water to examine its preparedness and response to waterborne hazards. Scottish Water has consulted on a new WHP and insist lessons have been learned from the cryptosporidium outbreaks.

Scottish Water has attempted to spin some of the serious criticisms of its communications during the cryptosporidium outbreak. On the corporation's website Scottish Water prefer to highlight a positive review of their operational actions 'an exemplary piece of planning and execution' rather than acknowledge the serious shortcomings in their public information and communications activities.

Best Practice for water provider's consultation with consumers

Consumers need to know about a range of water services relating to quality of water, consumer health and safety, supply problems and pricing. All these are inter-related matters. They will also need to know how to raise concerns about services provided, processes for gaining redress with regard to service delivery and so on. Information from suppliers will be required through a variety of communication channels: face to face contact, phone contact, letters to consumers, leaflets to consumers and, for a selected part of the population, through the web and e-mail. Some groups may have special information and communication needs, relating for example, to disability, first language or non-literacy.

Other information - for instance from consumer groups, government agencies, non-governmental organisations (NGOs) - will also be needed and should, where possible and appropriate, be referenced and be available through the offices of water providers. Such a 'joined up approach' may be difficult to achieve when several agencies with different functions such as water pricing, supply and quality matters are geographically dispersed.

Improved public participation and wider consumer input into water bodies should contribute not only to better services and fairer and accepted pricing policies, but also to greater public awareness and demand for water conservation and sustainable water development programmes. Such awareness benefits both water suppliers and consumers.

The principles underpinning relations between communities and water providers should be based upon transparency, adequate, timely and meaningful information about operational plans and practices that impact upon consumers, public health, social and environmental justice and protection of vulnerable populations. Some ways in which these principles and practices vary across and within countries in the water industry are briefly outlined below.

Active responses

Such communications by water providers relate to the provision of information and mechanisms for consulting with 'the public' about customer perceptions of services, how such services and their operation could be improved through planning and dialogue with stakeholders, including the general public. Public meetings may be one means to achieve this although the representative nature of those consulted can vary. Access that different social groups and individuals may have to information and the means to contribute to and influence future plans will often differ.

Some NGO's, Government departments and commercial interests may have time, resources, technology, knowledge and means to influence water provider decision-making and policy. Examples might include large companies, or influential lobby groups such as the Federation of Small Businesses (FSB), Scottish National Heritage (SNH), the National Trust for Scotland, or the RSPB Scotland. Bodies such as Scottish Environment Protection Agency (SEPA) and Scottish Centre for Infection and Environmental Health (SCIEH) may also be highly influential. Organisations that represent vulnerable communities and a wider range of socio-economic groups may be effective but are relatively small in numbers and usually have limited resources. Friends of the Earth (FoE) with its concern for environmental justice, Citizens Advice Scotland (CAS) and the Scottish Council for Voluntary Organisations (SCVO) in relation to the affordability of water charges, are examples of relevant stakeholders.

Reactive responses

These communications relate to the ability of members of the public to raise complaints and immediate concerns about water supply, water quality and price with providers. Again, although access to a rapid complaints procedure may on paper be identical for all groups and individuals, in practice opportunities to send e-mail and other enquiries to such bodies as Scottish Water will differ between individuals and socio-economic groups.

Models of good practice in public participation

Good practice will vary depending on organisations, structures and circumstances. Key conditions for the efficacy and legitimacy of such outreach initiatives include adequate financial and human resources targeted at groups not usually included in consultation and participation exercises. A range of methods, adequately resourced with funds and staff, are available to enable effective public participation. These may include standing panels, public meetings, citizens juries, consensus conferences, workshops, community issue groups and community advisory committees, deliberative opinion polls, research panels and so on. Different models may use a range of methods. Central to the success of these communications will be a meaningful decision-making process that involves the public/consumers and is based on access to information, transparency and, where necessary, training to equip representatives and community nominees to participate effectively without being absorbed or neutralised in the system.

Some of the case studies below use several of the above methods to initiate, encourage, maintain and extend 'bottom up' public and consumer participation models. The most effective examples are based on participation from communities and by communities - be they geographic, social, political or economic - not on 'top down' models of spurious participation that are closed, selective and manipulative in their use of communities.

Some examples of good practice in consumer links and public participation on water issues

1. Europe
2. North America
3. Australia
4. International/Global

1. Europe

The European Union's Water Framework Directive (EUWFD) has guided some recent European activity on public participation. The directive states that 'future water management in member states must be undertaken with relevant stakeholders

participating in the management process'. Exactly what this process might be, and who precisely are the stakeholders remains unclear. Good practice in Switzerland with the Zurich city water supply has included involvement of housing associations and consumer representatives (Hare et al 2002:73). In France, the very process of developing public participation in water management served to create new stakeholders. Some Northern European researchers regard the French system of public participation in water supply as the best and most extensive within the EU. The European Environment Agency has also highlighted the need for effective public participation in water usage decision-making (EEA 2001).

2. North America

Canada has a history of watershed management and community participation based on stakeholder consultations, consensus processes, open communication, education and public access to information.

Within the USA, there are many state bodies and NGO's which address consumer concerns about water supply and quality. There is widespread recognition that US citizens have roles to play concerning water quality, both passively and actively. Citizens participate in water monitoring programmes, water conservation, and serve as advisors to decision-makers.

The American Water Works Association, a not for profit scientific and educational body, expressed a commitment in the 1990s to consumer principles in water utility activity. It is unclear how effective public participation is in commercial water enterprises. This body supplies fact sheets, FAQs and news releases about water quality on the web for public use.

The South Dakota Drinking Water Program (which operates under the State Environmental department umbrella) provides and regularly updates paper and web based copies of a *Public Notification Handbook*. This provides consumers with a wide range of information about their water supply, how the public are notified about drinking water

problems details on violations of water quality, how and what records are kept, worked examples of problems, details of public health procedures and so on. This agency also provides drinking water information for consumers including water compliance reports, contamination information, a list of public water systems, operator certification, sampling and disinfectant information and all the relevant rules and regulations including consumer confidence reports.

South Dakota water companies like the WEB Water Development Association Inc., provide additional information, newsletters and so on. They do not provide information on consumer consultation and the means for consumers to address concerns but they do provide details of water quality monitoring.

California relies on 'consumer confidence' reports as the main means to both inform and communicate with consumers. The reports are prepared by most water systems in the state and must be sent to customers.

Customer Confidence Reports

Since 1999 the Environment Protection Agency (EPA) in the United States has required all water suppliers to produce a customer (or consumer) confidence report. The object of this report is to inform the general public about the quality of their drinking water. According to the EPA, these confidence reports must contain the following fundamental information:

- the lake, river, aquifer, or other source of the drinking water;
- a brief summary of the susceptibility to contamination of the local drinking water source, based on the source water assessments that states compile;
- how to get a copy of the water system's complete source water assessment;
- the level (or range of levels) of any contaminant found in local drinking water, as well as EPA's health-based standard (maximum contaminant level) for comparison;

- the likely source of that contaminant in the local drinking water supply;

- the potential health effects of any contaminant detected in violation of an EPA health standard, and an account of the system's actions to restore safe drinking water;

- the water system's compliance with other drinking water-related rules;

- an educational statement for vulnerable populations about avoiding *Cryptosporidium*;

- educational information on nitrate, arsenic, or lead in areas where these contaminants are detected above 50% of EPA's standard; and

- phone numbers of additional sources of information, including the water system and EPA's Safe Drinking Water Hotline. [25]

This annual report is intended to give the general public a snap-shot of the quality of their drinking water. It is expressly *not* intended to act as the prime means of notifying the public about potential risks and harms associated with their consumption of drinking water.

The recent outbreaks of cryptosporidium in Scotland illustrated that there are no official means of putting data about water quality into the public domain in Scotland. Given that Scottish Water is committed to openness, transparency and accountability it may prove beneficial to both the organisation and the public that consumer confidence reports are introduced in Scotland. These reports would contain the same kinds of basic information on water quality as the US reports, though framed with reference to the EC's Drinking Water Quality directive.

Consumer Confidence Reports are a relatively passive system for encouraging public involvement but their use is promoted by the Californian Department of Health Services in their web pages.[26] Individual Californian water utilities make wide use of the net to provide consumer information.

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[25] http://www.epa.gov/OGWDW/ccr/ccrfact.html
[26] Correspondence with authors, March 12 2003.

California also mounted a large public participation programme in 1999 linked to drinking water source assessment and protection. Federal and state bodies were involved as were 120 individuals or organisations who then formed a Public Policy Advisory Committee. The committee included organisations such as environmental and recreational groups, consumer groups, planning associations, individual consumers and ratepayers, and others such as vulnerable population groups and public health groups. Public outreach work was central to the activity using the web site and mailings, workshops and other activities.

California's Water Special Districts operate the Brown Act requirements to notify the public about agendas for meetings 72 hours before such meetings. But these districts go beyond the legal minimum and have a raft of measures - such as public notice practices and public participation opportunities - to ensure the public is fully involved in their work. Water staff attend NGO meetings and hold public workshops, use mail outs and bill inserts, the internet and newsletters, appear at state fairs and other public events to communicate with the public.

It is not uncommon for public water works to encourage the public to participate in their monthly board meetings and all board meetings are open to the public. Moreover, some state agencies use citizen boards to work through state regulations on such matters as water quality and waste management.

3. Australia

Although detailed practice varies across different Australian states the pressing problems of water supply and conservation have led to significant interest in citizen participation in water industry decisions. How to engage the communities meaningfully in this process remains the challenge and has also led Australian researchers to endorse 'the bottom up approach' (Van der Lee 2000). The state of Victoria accepts the Australian national

principles for water provision that emphasise community involvement through ' all relevant stakeholders' being 'involved in water allocation planning and decision making on environmental water provisions'.

4. International / Global initiatives

The WHO, linked to work by FAO, UNED and UNEP, has had a long standing concern about the need for effective public participation in programmes and policies about water quality across the globe throughout the 1990s and 2000. In 2002, Klaus Toepfer, the Executive Director of UNEP stressed how critical it was to involve communities in the delivery of decision-making on water supplies, especially those who often had no voice in water management and planning.

The Stockholm Environment Institute has a major programme looking at water in the context of sustainable development. Their programme includes an emphasis on a range of participatory methods to involve the public/consumers in water usage.

Conclusions on best practice

Many and sometimes complex factors will influence both the nature of water supply and the responses that stakeholders have to that supply. In Australia and also in parts of California, there are pressing problems of water quantity, in parts of Africa there may be major issues about access, in other parts of the USA there will be concerns about well water and its quality. Countries such as Sweden, after being faced some decades ago with phosphate problems, have apparently few water quality problems and face little pressure or incentive beyond the EUWFD requirements, to develop more extensive public/consumer involvement in the water industry.

Best practice (outside the UK) in engaging communities appear to come from California with their advisory committees and eclectic information and communication systems drawing in a wide range of disparate community groups.[27] There is much to learn from

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[27] Relevant websites include: http://www.mwd.dst.ca.us/; http://www.auburnalabama.org/water; http://www.sei.se/water/overview.html; http://www.state.sd.us/denr/des/drinking/dwprg.htm; http://www.webwater.org/; http://www.epa.gov/safewater/dwhealth.html;

other water operators. Our understanding from Scottish Water is that many of the benchmarks used in terms of performance are derived from companies such as utilities in the private sector, most notably in England and Wales. In relation to questions of consultation and openness these may well be inappropriate comparators. A key finding of our survey of best practice is that public sector water companies tend to provide the best examples of consultation and openness.

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http://www.dhs.cahwnet.gov/ps/ddwem/ http://www.york.ac.uk/inst/sei/water/overview.html;
http://www.vwrrc.vt.edu/sws/; http://www.dep.state.pa.us/dep/deputate/watermgt/WSM/Links.htm;
http://www.ladwp.com/dwp.htm; http://www.lao.ca.gov/water.

Stakeholders and Public Consultation

Although the Water Industry (Scotland) Act 2002 fails to precisely define the core functions and significant activities on which Scottish Water must consult it is clear from the draft consultation code issued in April 2003 that Scottish Water understand this to mean the following:

- Priorities for infrastructure development
- Planning for all water mains and sewer works
- Development of water and waste water treatment works
- Major infrastructure projects
- Impact of construction programmes
- Scottish Water's operations as they affect economic development, local business interests, the local environment and the quality of life of residents
- Opportunities for community investment and involvement
- Standards of service and code of practice
- Domestic and Business water and waste water charges schemes

A notable absence from this list is any reference to the financing of infrastructure developments. A recurring concern expressed at WCCP meetings, and in wider policy debate, is the issue of privatisation of Scottish Water, and relatedly, the role of PPP's in financing projects. There is certainly scope for revising the consultation code to include such matters of public concern.

Stakeholder consultation and dialogue
Scottish Water claim to be actively engaged with their stakeholders. The newly formed Business and Community Relations department in Scottish Water is charged with creating and maintaining the corporation's long term relations with organised and identifiable outside interests such as local authorities, community councils, Small to Medium Enterprise (SMEs) trade associations (such as the Federation of Small Business and Chambers of Commerce), as well as interfacing with the Water Industry

Commissioner (WIC) and the Water Customer Consultation Panels, Scotland. Large businesses are dealt with separately with dedicated liaison staff - key customer account managers - tasked with maintaining relations with Scottish Water's largest commercial customers.

Much of the work of this group involves communication with identified stakeholders, ensuring that key messages about Scottish Water and its operations are disseminated to local communities, councils and businesses, and in turn, that the concerns of these groups are taken back into Scottish Water and incorporated into its operations. In its first year much of Scottish Water's liaison effort has involved explaining the background to the creation of Scottish Water and the regulatory environment in which it operates.

The creation of the BCR unit is a welcome development, as it should enable ongoing communication between Scottish Water and many of its local stakeholders.

Public consultation
Scottish Water's draft Customer Consultation Code is somewhat disappointing in that it fails to appreciate the need to address the widest possible public as part of any meaningful consultation or dialogue with ***all*** its customers and stakeholders. Scottish Water commits itself to following established best practice in consultation, using methods such as: written consultation exercises; opinion surveys; focus groups; user panels; business & community fora; public meetings; road-shows; and website interactive facilities. While this is a fairly comprehensive list it is likely to prove insufficient in reaching all customers as there is no provision to actively promote general public awareness of consultation exercises. Scottish Water propose to contact stakeholders, but do not report plans to encourage participation beyond an identified list of consultees.

It is clear from public statements and official publications that Scottish Water views consultation as being primarily an exercise involving organised groups and interests. This is a necessary though insufficient condition for comprehensive and legitimate consultation. The danger with such an approach is that an organisation ends up simply

catering for those interests it can most easily accommodate.[28] It is also highly questionable whether the importation of customer relations models from the private sector are appropriate for a public sector agency. This may result in the following scenario:

> The central paradox of public sector use of customer service is troubling and may be intractable. Enhanced customer service is likely to exacerbate political inequalities even as it improves some aspects of service production and delivery… Service models may produce improvements in the operational performance of agencies, but those improvements do not replace political outcomes that render some customers much less powerful than others; indeed, they may obscure such outcomes. Without political change, these 'market segments' – the poor and politically weak – will continue to be poorly served (Fountain 2001: 56).

The Cubie inquiry into Student funding in 1999 is often cited as an example of best practice in public consultation in Scotland (See Schlesinger, Miller and Dinan, 2001: 254). According to Andrew Cubie a crucial feature of the success of this consultation process was the large public relations and publicity budget allocated to making the public aware of the consultation, and enabling meaningful participation. Scottish Water could address this gap in its consultation procedures, and seek to use the national and local media to maximise public awareness about its activities, and to promote awareness about the opportunities to participate in consultation.

Planning and Public Participation

A further issue in relation to consultation and the pursuit of 'active' involvement by stakeholders is the use of methods designed to encourage participation. The Scottish Executive's recently published White Paper on planning[29] emphasises the need to engage local communities in the decision making process surrounding development in their

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[28] 'A wealth of empirical research demonstrates the propensity of elected officials, appointees, and agency actors to serve those clients who are easiest to serve' (Fountain 2001: 63)
[29] Scottish Executive (2003) *Your Place, Your Plan: A White Paper on Public Involvement in Planning,* Scottish Executive Development Department, March.

localities, as well as widely promoting knowledge and awareness of national planning objectives and priorities. The Executive stress the importance of participation, noting that 'decision makers must ensure that individuals and communities are aware of proposals which will affect them. They should take account of the views of the public and *demonstrate how they have been taken into account*. Planning involves difficult choices and wide reaching consequences for both individuals and the environment, requiring decisions to be taken in the long term public interest' (Scottish Executive 2003: 1, emphasis added). The government wish to modernise the planning system in Scotland means that proposals to speed up and streamline the process will place some pressure on the general public, and interested civic bodies, to participate within tighter consultation deadlines.

The levels of public involvement in planning are very low. People tend to get involved with planning and development issues when it directly affects their own interests and often when it is already too late (i.e. opposition to a planning application that has been granted). The Executive view participation in planning as an issue of governance, and wish to promote engagement in planning and development as a concrete way of reconnecting an apathetic and alienated public to local democracy and devolution. The main barriers to participation acknowledged by the Executive include:

- Lack of awareness of opportunities to comment on proposed developments;
- Inaccessibility of documents, including difficulties with size and complexity of plans;
- Complexity of procedures and practices;
- Lack of expertise;
- Belief that views will not be taken into account. (Scottish Executive 2003: 14)

The White Paper suggests several measures to boost participation in planning decision-making, all of which are relevant to customers affected by the activities of Scottish Water. Specifically, the Executive recommend:

- A wider range of publicity should be used (including innovative use of ICTs);

- Neighbour Notification should be expanded for larger developments;

- Community Forums to facilitate community involvement;

- Early local involvement in planning;

- Provide feedback on public input;

- Planning systems should be part of 'joined-up' government;

- Planning systems should use ICT more;

- Deadlines for objections in public notices should be clearly stated;

- Planning documents need to use simpler language. (ibid:17)

While the thrust of these recommendations are to be welcomed, it is important to note that the emphasis on ICT (internet, e-mail and CD ROM) will not, of itself, boost participation. In fact, it is likely that those without IT / PC skills will not feel comfortable with a planning process based on ICT. New media technologies can only be a part of the solution. Active efforts to go out into communities and facilitate participation are required.

Scottish Executive commissioned research on public participation in planning and perceptions of participation identifies several barriers to participation.[30] In addition to those outlined above are factors such as perceptions that consultation is shallow and cosmetic, negative views of planning officers and a sense that community councils are not well supported by planning authorities. The research emphasises the necessity of 'adequate time scales for local mobilisation…in order to build up community support and to allow informal information networks to work' (Jenkins et al 2002: 8).

Of relevance to how Scottish Water might consult with the public and engender public involvement is a typology of participation outlined in the Scottish Executive's research.[31] Forms of participation include:

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[30] Jenkins, P., Kirk, K. and Smith, H. (2002) *Getting Involved in Planning: perceptions of the wider public*, Scottish Executive Social Research, October.
[31] Based on schema developed by Lowndes et al (2001) 'Trends in Public Participation: Part 1 - Local Government Perspectives', *Public Administration*, 79(1), pp 205-222.

- Consumerist Methods - customer complaints schemes, satisfaction surveys, polls.

- Traditional Methods - public meetings, consultation documents, co-option of community / voluntary groups onto council committees, Q&A sessions.

- Fora - bring together individuals or representatives concerned with specific issues, or those with shared background interest.

- Consultative innovations - consultation on specific issues rather than continuing dialogue - referenda, interactive websites and citizens' panels.

- Deliberative innovations - focus groups, community planning and visioning exercises, citizens' juries.

There is great emphasis placed on actively encouraging participation. The common factors which may facilitate involvement include planners and developers going into the community - early and often, better publicity (including flyers and eye-catching leaflets in public buildings / places), better use of the media (making information available in local papers news rather than public notices section, utilising local TV and radio), placing materials in public libraries, and creative use of the web. In addition, raising awareness about the opportunities to become involved with the planning process and providing feedback on that participation were seen to be crucial parts of the effort to engage the public with, and legitimate, development and planning.

In concluding this section it seems evident that there is a general consensus in policy circles that consultation and stakeholder involvement is best developed through specific outreach measures which are sensitive to the capacities and priorities of the various publics concerned. Scottish Water should consider how its plans to consult with its customers and the general public can take these findings into account. As this approach has guided much of the Scottish Executive's thinking on these issues it would appear a sensible strategy for the Scottish water industry to incorporate these findings on best practice into its consultative processes.

If there is a genuine desire to involve the public and stakeholders in consultation, there are a variety of measures and methodologies available. At present there is little

indication from either Scottish Water's minimalist draft consultation code or its customer relations strategy that the challenge of enabling widespread participation is likely to be met.

Customer communications and public outreach

For many users of Scottish Water's services the only communication they receive from the organisation is when their water services charge comes through the post with their council tax bill. In the absence of significant service difficulties or problems with water quality there may be little need for any further contact between the corporation and its customers. On average a private customer will contact Scottish Water once every seven years. For those who wish to contact Scottish Water the first point of contact between the public and corporation is likely to be through one of the organisation's call centres. Scottish Water claim to have improved their public outreach via call centres by 'adopting a seamless customer focused strategy'.[32]

For many of the customers attending meetings of the WCCP this promise would not appear to have been fulfilled. It has been a repeated complaint at WCCP meetings that customers contacting Scottish Water feel they get little help or satisfaction from call centre staff. At a recent meeting of the WCCP several customers expressed their anger at the unresponsive nature of this service: 'they [call centre staff] just read nonsense from a crib sheet'. One customer was reassured by call centre staff that 'dirty water is perfectly safe to drink'. When asked what dirty water might look like the customer was reportedly told 'sort of cloudy'. Call centre staff were said to have advised customers experiencing poor water quality to 'run the water overnight'. Another customer, complaining that all their washing was ruined by dirty water was advised to put their washing machine on a rinse cycle to correct the problem. These complaints are perhaps symptomatic of some dissatisfaction with Scottish Water's customer relations. It would appear that when customers are experiencing service problems they want to speak to someone with local knowledge of their issues and circumstances. Given the latest announcements from Scottish Water regarding job losses, on top of recent retrenchments, it is unlikely that Scottish Water will reverse the trend of centralising call centre and operational services.

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[32] See http://www.google.com/search?q=cache:sCfpYB9MnkgC:www.callcentre-expo.co.uk/prs_more.shtml%3Ftype%3D1%26articleID
%3D16+scottish+water+call+centre&hl=en&ie=UTF-8

Moreover, there are very many customers experiencing service problems. Scottish Water revealed that in the first 12 months of operation they dealt with 8000 burst pipes.[33] Findings from a survey on public attitudes to the Environment in Scotland 2002indicate that 15% of the public are dissatisfied with the quality of their tap water.[34] 20% complain of a chemical taste or smell from their tap water, 10% report an unusual colour, 24% claim their tap water is cloudy, and 1% say that their tap water causes illness to those who drink it. 12% of those surveyed complain that the quality of their drinking water has deteriorated in the past 5 years (compared to 9% who report an improvement). The challenge for Scottish Water is to meet the public expectation that the quality of drinking water will improve in the next 5 years. 21% anticipate this happening, 61% expect no change, while 8% foresee a worsening in drinking water quality.

It is perhaps worth distinguishing between cosmetic concerns about the appearance of water, and real potential health concerns the public may have. Water quality relates to the potability, or 'drinkability' of water and its appearance. However, insisting on 'clear' water may actually be an argument for more chemical treatment of water, which could potentially increase public health risks to consumers. Without information explaining these trade-offs (like for example some form of consumer confidence report on water quality) the public might mistakenly equate clearer tap water with improved water quality. It is the task of Scottish Water (and perhaps the Drinking Water Quality Regulator (DWQR)) to sufficiently inform the public about all relevant factors relating the water quality.

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[33] 'Two thirds of Scotland's water pipes need replaced', *The Herald*, 12 May 2003, p1, 2.
[34] Public Attitudes to the Environment in Scotland - 2002 Survey. http://www.scotland.gov.uk/eas

Conclusions

Our analysis has been conducted against a backdrop of the standards of conduct expected of public bodies in general and the specific requirements made in relation to Scottish Water and associated public bodies. We can now return to these to evaluate the extent to which they are met in the Scottish Water industry.

General requirements

Scottish Water at all times:

- *Should consult the public in relation to any significant activity*

It is as yet too early to evaluate this question properly. However, there are some concerns about the evidence that this is being pursued as a matter of priority.

The Scottish water industry:

- *Should keep the public informed including making documentation available and hosting open meetings.*

Public meetings are being held. But there is evidence that these are less accessible and less well publicised by Scottish Water than was the case with some of its predecessors. Public involvement is not sufficiently encouraged and there is a danger that the meetings that do take place are skewed toward cosmetic consultation rather than real dialogue and public participation. There is much documentation that is not readily available on the web-site of Scottish Water (or on the websites of the WIC, the DWQR or the Scottish Executive) and during this research we encountered some difficulties in gaining access to documents which should be available to the public as a matter of course.

- *Should be guided by principles of integrity, accountability, openness and honesty.*

This is a more difficult question to evaluate since it depends in part on an evaluation of intention. However, while we have not uncovered evidence of abuse of these principles, we have pointed to some worrying trends that suggest these principles are not always

prioritised in the communications and consultation activities of Scottish Water and the Water Industry Commissioner.

Specific requirements

Scottish Water:

- *Should hold a formal consultative meeting within six weeks of publication of its annual report.*

This was carried out, though the quality and nature of this consultation arguably leaves much to be desired and hardly counts as best practice in this field.

- *Should make arrangements for consultation and deputation's of individuals to question the Chief Executive, Chair and Board.*

These arrangements have not so far been made public.

- *Should produce a Strategic Business Plan by 30 September 2002.*

Scottish Water failed to carry this out and the plan is as yet unavailable on the Scottish Water web-site. We understand it is still being considered by Executive ministers.

- *Should ensure that information about the Ethical Standards in Public Life Act and its operation are available at the offices of public bodies.*

This has not been done.

- *Should publish their code of conduct on their website.*

This has not been done.

- *Should provide access to information on the workings of public bodies.*

Some of this information is available. In the course of our research Scottish Water did make some information that we requested available to us. But, in other cases, this was not done without a long running process of negotiation. Some information was only released after the Water Customer Consultation Panels requested it in writing. This does

not suggest a culture of openness to public inquiry currently exists in Scottish Water or in other parts of the Scottish water industry.

- *Information should be objective and explanatory and not tendentious or polemical.* There is some evidence suggesting that there is incomplete compliance with this guidance by both Scottish Water and the Water Industry Commissioner.

Overall evaluation

Scottish Water is subject to three general requirements, and seven specific requirements, regarding their public communications. This research has found that Scottish Water are failing to meet most of the specific requirements and that the Scottish Water industry more generally is failing to meet the more general requirements on openness, accountability, integrity and honesty.

Overall, we have come across some serious shortcomings in the way in which the Scottish water industry communicates and consults. The evidence we have unearthed suggests a reflex aversion to disclosure and for a closed rather than an open style of operation. This is in marked contrast to the practice of other comparable public sector water utilities.

We think that some of the problems we have identified relate to the fact that Scottish Water has been in existence for only one year and that some are the result of the hostile political environment in which Scottish Water finds itself. However, it is also clear that Scottish Water's organisational culture and mode of operation have contributed to this problem. In particular the attempt to replicate elements of private sector practice has led to some of the problems of openness in the private sector being replicated.

The Scottish Executive seeks to 'ensure that public bodies are open: informing and involving the public in their activities' (Scottish Executive 2002a: 12). There are a series of measures available to promote openness and transparency by placing information in

the public domain, and making decision takers accessible to the general public. In our view such measures are likely to enhance the credibility and authority of the regulatory bodies involved in the Scottish water industry. Given the barrage of negative publicity that Scottish Water has received in its first year, it is not difficult to appreciate that openness and candour might be regarded as counterproductive, but a counter argument is that openness, integrity and real dialogue with the public and the media are likely to pay benefits for Scottish Water in broad support for the corporation from the public, and the political class. Evidence for this comes from the strategy adopted by the Welsh Water Authority in the early 1980s. According to the Authority:

> Currently, all Authority papers are circulated to the Press... The conscientious journalist... will have worked through the papers in search usable items in a process which inevitably imparts to him a great deal of knowledge [this] has led to an increasingly well-informed press and a perceptible improvement in its understanding and therefore its treatment of the Authority...any stemming of this flow of knowledge can only result in an ill-informed, suspicious and therefore critical news coverage of all aspects of the Authority's work (Welsh Water Authority, 1984)[35]

In our view this approach is likely to be the most productive way for Scottish Water and indeed the water industry in Scotland more generally to gain and keep public support. The specific recommendations that follow suggest ways in which the industry can move in the direction of openness and meaningful public consultation.

It will be important to monitor progress in meeting the recommendations below to avoid the lessons of this study being lost in the ongoing public debate over the operation of the Scottish Water industry.

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[35] Cited in a presentation by Maurice Frankel of the Campaign for Freedom of Information, at the University of Westminster, London, 19 July 2003.

Recommendations

Based on the evidence of the research we have conducted, we have drawn up the following recommendations as a means of pointing the way forward for improved openness and consultation s in the Scottish Water industry.

Scottish Water has developed some key values during its first year of operation which seem to have a direct bearing on how the organisation communicates with its various customers and stakeholders, and how it encourages participation in its activities. The following recommendations should be viewed as practical guidance on some ways to realise and advance Scottish Water's common values of 'Clear Conversation' and 'Involve People'. We recognise that the creation of Scottish Water has involved a significant degree of organisational planning and inevitable teething problems. After one year in existence there is clearly still some need for the organisation to bed down. The recommendations below are offered in the spirit of encouragement and constructive criticism in the hope that they might help the Scottish Water industry move closer to its customers and stakeholders.

Openness

Availability of documents: Scottish Water should make information and documents relating to its governance and conduct easily available to the public on its website and at its offices, as a matter of course.

Availability of data: Scottish Water should consider putting water test results and associated data in the public domain. Customer Confidence reports should be considered as a means of informing the public about the quality of their water supply.

Freedom of Information and openness: In the process of preparing for the implementation of the Freedom of Information Act (Scotland) Scottish Water will be obliged to issue

guidance on their publication scheme. This seems an ideal opportunity for Scottish Water to reform its procedures on openness. In particular we recommend that a post be created charged with implementing the publication scheme and ensuring that all Scottish water communications activities meet requirements on openness. This post would need to be of sufficient seniority to oversee all communications activities inside Scottish Water.

Encouraging attendance at the ACM: Scottish Water should consider expanding and deepening their communications with various stakeholders through its statutory Annual Consultative Meeting. This meeting represents an opportunity for Scottish Water to enhance its ongoing outreach and public communications programmes. Consideration should be given to making the ACM a major set piece event demonstrating Scottish Water's commitment to openness, accountability and transparency. Customers and communities who have had reason to complain about Scottish Water's services in the previous year should be enabled to participate in the ACM. Scottish Water should contact these individuals and groups in advance of the ACM, notifying them of the location and agenda for the ACM, and could consider meeting some of the costs of participation for those who would otherwise be unable to attend.

Encouraging participation and dialogue: In order to maximise participation in the ACM careful consideration should be given to logistical matters such as the timing, duration, format and location of the ACM. Scottish Water might consider using new ICTs such as web-conferencing to enable the participation of communities throughout Scotland, where demand for such a facility can be established. Plans to develop the ACM into a meaningful forum for dialogue about the water industry in Scotland could be progressed in discussion with the WIC and WCCP. Scottish Water could use the public meetings hosted by these bodies as a way of promoting awareness and participation in a reformed ACM, and in so doing, establish a new benchmark for best practice in openness and public consultation in Scottish public life.

Objective and impartial information: Scottish Water, as an open and accountable public body, should guard against employing PR techniques associated with 'spin'. Its public communications should be characterised by objective and non-tendentious information. This applies equally to routine and emergency - or crisis - communications. In particular selective communications should not be used and information should be made available regardless of whether it is perceived to be 'damaging' to the corporation.

Public relations contracts: Our findings on the use of public relations contracts by Scottish Water suggest that there is a need for routine disclosure of the identity of public relations contractors, the functions they provide and the value of contracts overall. In particular we would recommend that contracts with public relations consultants include a clause requiring disclosure of their identity in the interest of transparency and openness.

Improving the Scottish Water website: Scottish Water should improve its web-site to promote openness and facilitate public knowledge about, and participation in, its core activities. In particular the web-site should hold copies of official papers, documents and public statements, and a search facility should be created to make this content readily available to the public.

Planning for crisis communications: Scottish Water should invest in further planning for crisis situations. The outline crisis communication plans developed in the aftermath of the Cryptosporidium outbreaks in Glasgow and Edinburgh in 2002 need to be practiced, refined and evaluated in intensive training sessions, at least annually, but preferably bi-annually. Scottish Water should seek to adopt best practice in terms of crisis management and communications and learn from the experiences and procedures of other water providers and utilities.

Consultation

Adopting best practice: Scottish Water should ensure that it adopts best practice in both communication and consultation. Our survey of best practice indicates that innovations

such as customer confidence reports and encouraging public involvement can bring benefits both to water customers and to public utilities in terms of their licence to operate and public profile.

Issues for consultation: Scottish Water's consultation code notably fails to include the financing of infrastructure developments as a topic for consultation. Given that this issue does elicit concern from the public, there seems every reason for it to be explicitly included in the list of topics on which Scottish Water will consult.

Reaching out beyond organised interests: There is scope for Scottish Water to replicate the consultative practices of other public sector water providers, particularly in relation to proactive communications with the general public and disorganised interests. This is perhaps the area of consultation where Scottish Water needs to do the most work.

Consultation and planning: Scottish Water must make provision to ensure that those affected by its infrastructure and construction projects are fully consulted and informed about these activities. The public must be allowed to meaningfully participate in the planning process. Scottish Water should not simply rely on other agencies (such as local authorities) to enable active and widespread participation in planning. Scottish Water should adopt best practice in terms of public engagement in planning and infrastructure development, building on recent Scottish Executive guidance.

Customer communications: Customer communications continues to be an issue of concern. Scottish Water should explore the possibilities of improving their customer communications, particularly in relation to questions of local knowledge and expertise.

Data on public views of Scottish water. There appears to be no systematic or even piecemeal collection of data on public perceptions by Scottish Water. If there is, it is not publicly available. This suggests that there is a need for two things. First, disclosure by Scottish Water of information about how many complaints they receive about their various activities and about objections to their plans. Second, the collection of more

systematic data on public views and knowledge. This could be done both by means of general population surveys and by focused work on the experience of those who have had cause to complain to ascertain how their concerns are dealt with. This work should be carried out by independent researchers.

Water Industry Commissioner

Objective and impartial information: As an open and accountable public body, the WIC should guard against employing PR techniques associated with 'spin'. Its public communications should be characterised by objective and non-tendentious information. This applies equally to routine and emergency - or crisis - communications. In particular selective communications should not be used.

Communication with the public: The office of the WIC should ensure that its website is kept up to date and outdated information is removed or archived. The website should also provide more comprehensive information about the WIC and its operations.

Public relations contracts: We recommend that the WIC disclose the identity and functions of any public relations or lobbying consultants retained by the WIC, together with routine disclosure of expenditure by the WIC on public relations and lobbying activities.

The Drinking Water Quality Regulator

Communication with the public: The DWQR should explore the possibility of more effective communication with the public and with other stakeholders. A first step might be the creation of a comprehensive website including information about the responsibilities of the regulator and the operations of his office. This might also include the provision of detailed data on water quality which might be made available as part of a process of enhancing customer confidence in the industry either by the regulator alone or in conjunction with Scottish Water.

The Scottish Parliament Environment Committee and Scottish Executive

Representing the customer interest: At present there is a rather untidy division of responsibilities for regulating the Scottish water industry and in particular for communicating with and consulting customers and other stakeholders. All four of the main industry bodies (Scottish Water the WIC, the DWQR and the WCCP) have some responsibilities in this area. This maybe something which the Scottish Executive and the Scottish Parliament Environment and Rural Development Committee might like to revisit in the interests of openness, efficiency of consultation and clarity for public and other stakeholders alike.

Appendix 1

Methodology

We approached this scoping study on openness and transparency in Scottish Water by trying, where possible and appropriate, to put ourselves in the shoes of an ordinary member of the public attempting to find out as much as possible about Scottish Water from publicly available sources. In practice this entailed several different lines of inquiry. First we ascertained the provisions governing communication and consultation procedures in Scottish public bodies in general, and thereafter the particular requirements upon Scottish Water in terms of their public communications. Secondly, in approaching the question of openness in Scottish Water as if we were ordinary members of the public, we contacted and visited public libraries and the Scottish Parliament Information Centre. We examined the web-sites of Scottish Water, the Scottish Executive, the Scottish Parliament and other bodies such as the Scottish Standards Commission and the Stationery Office in order to trace the information available to the public. Moreover, we attended two meetings of Scottish Water that were open to the public during the lifetime of the study (a board meeting held in Aberdeen in March 2003, and Scottish Water's first Annual Consultative Meeting, held in Dunfermline in August 2003). We also attended public meetings hosted by the WCCPS in order to get a flavour of the kinds of issues that members of the public wished to raise with and about Scottish Water. Third, we compared the kinds of information available on Scottish Water's consultation and outreach practices with data on good and best practice in other water utilities in the UK and around the world, the latter focusing particularly on best practice in other public sector water suppliers. Fourth, we examined the general public profile of Scottish Water in the media (both press and broadcast) and on the internet by searching various online databases, the internet, and the media archive at the Stirling Media Research Institute, University of Stirling. Fifth, we approached official bodies directly to obtain copies of reports and documentation which were not available in the public domain.

Appendix 2

Support to External Communications 2002-2003

Responsibilities

The External Communications department is based at Castle House and since 1 April 2002 it has had responsibility for the following:

Media Relations (which includes an on-call rota so there is 24/7 response service)
Public Affairs
Corporate Communications (including annual report, support to the Board, community relations, education and environment)

The team also has a key role in any incidents and is an integral part of the Emergency Planning and media handling response across Scotland. (As you will know there were a number of incidents in Scottish Water's first few months in addition to the Cryptosporidium incident in August).

Background

The previous three teams numbered about 25 employees and as the merger took place, most of the former NOSWA team left immediately. Only one of the former team remains with us, based in Inverness. Two members of NOSWA staff stayed on until September and December and then left. The one remaining member of staff from WOSW joined the team last April but left in May 2003.

In April 2002, the new Scottish Water team numbered ten people (including a temp PA).

As the new organisation and new team settled in, we needed to look for immediate external resourcing to cope adequately with day to day media/incident handling and out of hours call rotas. For the first six months we operated three separate rotas (as it was

easier logistically as staff were more familiar with certain areas). We brought in two freelancers to help us provide media/incident handling and on call rota for the whole of Scotland (details below). We have not used any external support for Public Affairs activities.

Areas for External Support

Strategic Merger Communications

The new Board of Scottish Water was keen for us to develop a new communications strategy. To do this effectively it was important to carry out external research among key stakeholders (including our own new Board members) to determine the right level of profile and image for the new organisation. This research also involved benchmarking with other key private and public sector players in Scotland and advising on the strategic direction of communication. We brought in two external communications advisers to manage this project. (Colin Liddell and Lesley Thomson of

Liddell Thomson).

Colin Liddell also supported us during the Cryptosporidium incident in August 2003.

Annual Report and Sustainable Development Report

We brought in a freelance writer to research, interview, write and project manage these two corporate reports. (xxxxxxxx – please note xxxxxxxx does not wish xxx name to be used publicly in your report on behalf of the WCCP).

Freelance PR

Throughout the first year we have never been up to full employee headcount on the Press side of the External Communications team. (I have attached a copy of number of Press enquiries and releases for 2002-3 to give you some idea of the volume).

We have used regular freelancers based in the Press Office at Castle House (Ray Notarangelo and Scott Douglas, of Holyrood PR). We have used two other freelancers, based in Argyll and Inverness-shire – Alex McNair (principally for former WOSW area) and Jane Cumming/Platform PR (for former NOSWA area).

Total costs for the above three categories in 2002-2003:

£140,000

Education Programme 2003-4

No costs were incurred on external support in 2002-3 but £50k has been allocated in 2003-4. We have brought in a specialist adviser on education (a former teacher) who will work with Scottish Water, Learning and Teaching Scotland and primary schools. The Education Programme, due to be launched in January 2004, will produce key materials (web site, CD rom, print material) which will complement the 5-14 curriculum. The adviser will also carry out training among teachers to ensure that they understand the material and use it in the classroom.

Budget for external/ education adviser support in 2003-2004 – up to £50,000

Janice Mack
5 September 2003

Appendix 3

SCOTTISH
WATER

28 March 2003

Scottish Water Lab Closure - Decision Announced

Scottish Water's primary aim is to deliver a high standard of service to our customers while keeping charges at a fair level across the country. In order to achieve this, we continually review our working practices to ensure we are operating as efficiently and effectively as possible.

Our Laboratory and Sampling Trading Unit currently operates from three main offices in Glasgow, Dundee and Edinburgh.

After a detailed review, and with the full participation of all staff concerned, it was agreed that the Unit could provide an improved and more efficient service by consolidating the function into two locations.

Over the last few months, the Scientific Business Unit - a partnership between managers, staff and Trade Union representatives – has been working towards identifying the best way to consolidate services.

The group today agreed that the Glasgow Laboratory should close.

more…

No Scottish Water staff will be made compulsory redundant. There will be a reduction in staff numbers but this will be managed through the release of agency staff, relocation, voluntary severance and re-training.

Protecting public health is our number one priority. The decision to close one of the labs will not adversely affect service to customers. Consolidating services will help drive efficiency which will ultimately improve service to customers and give good value for money.

Marie James and Jon Hargreaves, Joint Chairs of the Scottish Water Council, said:

"The Scientific Business Unit Council, a sub group of the Scottish Water Council, has been involved in detailed discussions and consideration of options in order to come to a decision.

"The Scottish Water Council completely supports the process of staff and union participation and the decision reached today."

End

For further information, please contact Sarah Wilkie on 01383 848 275.

Glossary

ACM	Annual Consultative Meeting
CAS	Citizens Advice Scotland
CPHM	Consultant on Public Health and Medicine
DWQR	Drinking Water Quality Regulator
EEA	European Environmental Agency
EUWFD	European Union Water Framework Directive
FAO	Food and Agriculture Organisation of the United Nations
FOE	Friends of the Earth
FOI	Freedom of Information
FSB	Federation of Small Businesses
GICS	Government Information and Communication Service
IMT	Incident Management Team
NGO	Non Governmental Organisation
RSPBS	Royal Society for the Protection of Birds Scotland
SCIEH	Scottish Centre for Infection and Environmental Health
SCVO	Scottish Council for Voluntary Organisations
SEPA	Scottish Environment Protection Agency
SNH	Scottish National Heritage
UNED	United Nations Environment and Development
UNEP	United Nations Environment Programme
WCCPS	Water Customer Consultation Panels Scotland
WHO	World Health Organisation
WHP	Waterborne Hazard Plan
WIC	Water Industry Commissioner

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