



NEWS RELEASE

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Watchdog urges urgent review of Scottish Water directors' bonuses

Waterwatch Scotland (WWS), the independent consumer watchdog for Scotland's water industry, is calling for an urgent review of the way bonuses are paid to senior Scottish Water executives.

The water watchdog argues that it is difficult to defend the size of such windfalls when many of the utility's customers are living with prolonged service failures or are struggling to pay their water and sewerage charges.

WWS' call comes in its response submitted to the Scottish Parliament's Public Petitions Committee's Public Petition PE1300 (Scottish Water Directors' Bonuses).

WWS Chief Executive Gary Womersley says: "WWS readily acknowledges the need to attract high calibre personnel to senior positions in the public sector. We also agree that, when implemented effectively, performance related pay can be an extremely effective tool to reward positive results. However, as it currently stands we are concerned that senior Scottish Water personnel are experiencing all the perks of the private sector while enjoying all the benefits of the public sector and risk losing sight of customer priorities in the process. WWS acknowledges that while SW has made considerable steps to improve service quality issues for customers, we have experienced high levels of resistance in some areas such as customer consultation issues and certain long standing complaints such as Campbeltown where Scottish Water's apathy may necessitate an updated report from us.

"While Scottish Water has delivered significant improvements of late, WWS still receives regular contacts from customers who live with the threat of prolonged or regular service failures, including sewerage flooding, low water pressure or leakages. We also receive frequent calls from consumers who are finding it increasingly difficult to pay their water and sewerage charges.

"Only last month we launched our Scottish Household Water and Sewerage Debt report which once again threw a spotlight on the problem of water debt – people not being able to pay their water bills – which is unsustainable and getting worse. It comes as little surprise then that subject of directors' bonuses is not looked upon favourably by many of those who contact our office.

“Scottish Ministers determine the Scottish Water pay structure, and they have issued the utility with a strategic objective to reduce the number of customer complaints and improve customer service. WWS would like to see the achievement of such objectives and efficiencies playing a far greater influence on the quantum of directors’ bonuses,” says Gary Womersley.

- Ends -

Notes to Editors

For an interview with Waterwatch Scotland, please contact Andrew Ritchie on 0131 556 0050 (including out of hours)

Waterwatch Scotland (WWS) is the national complaints handling authority for all domestic and non-domestic water customers and customer representative body for the water industry in Scotland.

WWS is independent of Scottish Water, government and other water/sewerage service providers. Its role is to:

- Investigate Complaints
- Represent Customers’ Views & Interests
- Influence Policy
- Inform & Advise

WWS’ responsibility for second-tier complaints handling means that WWS can take forward individual customer grievances against Scottish Water or other providers.

WWS can also make statutory recommendations to Scottish Ministers, Scottish Water and other service providers, and industry regulators: Scottish Environment Protection Agency (SEPA), Drinking Water Quality Regulator (DWQR) and the Water Industry Commission for Scotland (WICS).

From time to time, WWS receives complaints which are of such importance or have a public-interest impact beyond the specific complaint itself, that WWS will issue a formal report on the complaint and greater issues raised.

In addition to the making of such formal reports and the findings and recommendations made, a key role of WWS is to continue to work to ensure that such recommendations are adopted in the interest of customers to mitigate and prevent future occurrences.

Issued on behalf of Waterwatch Scotland, Corporate Office, Forrester Lodge,
Inglewood, Alloa, FK10 2HU