

CCW  
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14<sup>th</sup> December 2020

Dear Andy

### Call for evidence

Thank you for this opportunity to contribute to CCW's review of affordability support for financially vulnerable customer in England and Wales. The sector has made significant strides in addressing this serious issue since the introduction of legislation to allow companies to establish social tariffs, and the subsequent guidance from both the Welsh Government and the UK Government. However, the fact remains that many households still struggle to pay their water and wastewater charges and it is right that the sector, regulators and stakeholders take stock and assess what is needed for the long term.

We believe that it is important that low income households have certainty over the support that their water company can provide and therefore it is vital that we take this opportunity to establish a long-term sustainable funding model. In particular, looking at:

- Likely scale of support needed and the implications that this has on affordability for other customers and companies;
- The reliance on customer support for any cross subsidy and how any change to that 'willingness to pay' will impact on the level of funding available; and
- Establishing a long-term funding mechanism that extends beyond individual periodic review processes.

We have outlined these points, and others, in the attached response and would welcome the opportunity to discuss in more detail with you. Please do not hesitate to get in touch if you have any questions.

Yours sincerely

## CCW Independent review of affordability support for financially vulnerable customers in England and Wales

### Welsh Water Response to Call for Evidence

#### *1. What works well in terms of the current arrangements for supporting households that struggle to pay their water bills?*

The frameworks put in place through the Flood and Water Management Act 2010, and enabled through Welsh Government and Defra guidance, has led to significant growth in the level of financial support provided by companies to low income households. Over the course of AMP6, the number of households in England and Wales supported through financial assistance schemes has increased from c. 160,000 (March 2015<sup>1</sup>) to c. 900,000 (March 2020<sup>2</sup>).

The current arrangements have provided companies with the flexibility to develop schemes to meet the requirements of their regional customer bases and the different legislative priorities of both governments (such as the Wellbeing of Future Generations Act), as well as allowing them to adapt their schemes as their understanding has evolved and respond to feedback from partner groups. An example of this was how Welsh Water amended its definition of 'qualifying income' in the first year of the HelpU tariff after receiving feedback from organisations such as Citizens Advice (and CCW) that including housing benefit had the effect of disqualifying some of the most financially vulnerable households from receiving the tariff. In addition, the WaterSure scheme provides another option that ensures that larger households in receipt of benefits are not excluded from financial support.

It is important to remember that the support provided by companies is broader than the provision of social tariffs:

- Companies have developed 'win-win' support schemes, such as our Welsh Water Direct scheme, which gives a discount of £25 to customers that pay via the Direct Payment Scheme
- Like many other companies, we have established a debt rehabilitation scheme (Customer Assistance Fund) that reduces outstanding debts as customers successfully complete payment plans for their current year charges
- Specialist teams are in place to provide wider advice on how to reduce water charges through metering or water efficiency audits, as well as signposting to agencies that can provide income maximisation services.

The Direct Payment scheme, which allows water charges to be deducted from benefits, operates effectively and is a useful tool to support customers maintain regular payments, as well as reduce arrears, and avoid the build-up of large debt balances.

Finally, in delivering this support for financially vulnerable customers, there has been strong collaboration and sharing of good practice across the sector, and with other utilities, advice services and the third sector.

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<sup>1</sup> CCW Staying Afloat Data Appendices 2016/17

<sup>2</sup> CCW Water for All Report 2019/20 Supplementary Data

## CCW Independent review of affordability support for financially vulnerable customers in England and Wales

### Welsh Water Response to Call for Evidence

#### *2. In what ways could the approach to supporting financially vulnerable households in the water sector be improved?*

One of the challenges that all companies facing is identifying households that are financially vulnerable. Many of these households are reluctant to engage with what they perceive as big, faceless organisations for many reasons. This became apparent to us when we launched our Water Resilient Communities scheme in the Rhondda Fach. This is an area of the South Wales Valleys which includes 5 of most deprived Lower Layer Super Output Areas (LSOAs) in Wales as measured against the Welsh Index of Multiple Deprivation (these 5 areas had WIMD indices ranging between 5 to 131). At the time we launched our scheme, the level of take up of our social tariff HelpU was just a third of the level of the average across our supply area. Given the level of deprivation in this area, we would have expected the proportion of people on HelpU to have been far greater than the company average.

The ability to share information on financial vulnerability with other utilities and organisations such as Department of Work and Pensions (DWP) would allow companies to identify these customers more easily (and more quickly) and make sure that they get the financial support needed. The scale of what could be achieved through data sharing is illustrated by the numbers of households (over 300,000) added to our temporary priority services register from the shielded data that Welsh Government shared with companies in Wales in the early days of the pandemic. The sector has just commenced data sharing arrangements with DWP, and this will be piloted to understand eligibility for WaterSure. However, it should be stressed that this has still to be proved, and the scheme is designed along a data matching principle rather than data sharing.

We all recognise that those that need financial assistance will often be vulnerable in other aspects of their life and that this vulnerability may impede their access to the financial assistance that they need. It is therefore important that we make the gateway to assistance as simple as possible. The current requirement of documentary evidence to support eligibility for WaterSure acts as disincentive for some customers to progress their applications. Despite repeated follow up by companies, these customers simply drop out of the process. Relaxing this approach would ensure that more people received the support they are entitled to.

#### *3. Are there gaps or limitations in the current arrangements, if so what? Which households in need of support are currently missing out on it? What evidence can you provide in relation to this? How could it be addressed?*

Whilst the current arrangements have provided flexibility, there is significant disparity across the sector in terms of the level of support available (in terms of discount offered and the level at which social tariffs are set) and the structure of the individual tariff schemes. Having some common element of support would make it simpler for customers and the advice agencies to navigate (whilst still allowing companies to provide more support where appropriate).

## CCW Independent review of affordability support for financially vulnerable customers in England and Wales

### Welsh Water Response to Call for Evidence

The other area that needs addressing is the small number of customers with very complex circumstances, where the reality is that they probably shouldn't have any charges for their water and sewerage charges. Companies are obliged through Licence Condition E not to show undue preference for any group of customers and therefore not applying charges to individuals that do not differ in terms of social tariff eligibility criteria, but have very difficult and different needs in other areas, is not permitted. These cases are small in number, but there needs to be a way of accommodating them.

#### *4. Are current arrangements sustainable and capable of meeting likely future needs in terms of supporting financially vulnerable households? If not, how should this be addressed?*

As noted in our response to question 2, the full extent of the need for financial support isn't known for certain. However, the experience of the last 5 years has shown us that there is limited movement off social tariffs once people have been accepted onto the scheme. From a recent audit of 10,000 customers on our scheme, over 75% remained on the scheme. Approximately 30% of customers on our scheme receive a pension or pension support, which is not subject to significant movement. Therefore, the evidence suggests that few people are moving out of water poverty and, in light of the fact that more people still need assistance in paying their water charges, then future funding requirements need to be able to accommodate the current level of support and future need.

The current framework places an obligation on companies to have customer support for cross subsidies to fund social tariffs. This gives rise to two particular issues:

- Customer views are influenced by many things and external factors, such as recession, are likely to introduce variability in support over the long term. This introduces the risk of volatility in funding between price review periods which in turn will limit the capacity that companies have. A long-term solution to funding is needed that takes account of the cost to companies and customers, but also ensuring that there is continuity of support for those that need it.
- Even with the level of support that Welsh Water has from its customers (£21 per household – 2017/18 prices), which is one of the highest in the sector, this is not sufficient to meet the requirement for financial assistance across our customer base. The company funds the shortfall. As we identify and reach the full extent of customers needing this support, it will fall on the company to fund this growth. This funding is not a single year contribution – the experience across the sector is that the number of people eligible for support grows year on year, and therefore this funding is required in perpetuity. A long-term solution to funding is needed.

Linked to the uncertainty of customer support for cross subsidy is the lack of clarity of the scale of support needed within each customer area. We acknowledge the work that WaterUK is leading to develop a common definition of Water Poverty and the scale of assistance needed and we await the outcome of that work with interest.

As noted in our response to question 3, consideration needs to be given to those customers for whom anything less than 100% discount is needed to lift them out of water poverty and

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### Welsh Water Response to Call for Evidence

ensure that they have full access to water and wastewater services. We have had experience of extremely vulnerable customers choosing not to use our services in order to avoid getting into debt.

Finally, the work required to try and engage with our hard to reach customers requires significant manual effort and 'on the ground' presence. Much can be achieved through effective partnerships, such as Citizens Advice, registered social landlords and local authorities. However, these organisations all face financial constraints and to ensure that this reach can be achieved at scale across each company region is at odds with the retail cost to serve model.

#### *5. Are the current arrangements for funding social tariffs fit for purpose? If not, how should they change?*

As noted above, the full extent of financial vulnerability isn't known for certain and therefore it isn't possible to calculate the cost of providing support to these households. Reflecting on our experience at Welsh Water, where the company is contributing £55m over AMP7 and customers will be paying a subsidy of £21 (5% of the average bill) in 2017/18 prices (£110m in total) and expect to be supporting 137,000 households by 2025. Funding beyond 2025 will only be known for certain at each price review and will be dependent on ongoing customer willingness to pay and the company ability to provide this level of funding.

The requirement for ongoing customer willingness to pay, even to maintain the existing level of cross subsidy puts the number of customers that a company can provide support to at risk. Any reduction in willingness to pay means either that companies have to limit support, including potentially removing support from customers that currently meet the eligibility criteria, or increasing company contributions. However given that the company contribution is effectively a cashflow in perpetuity, and that the ability to generate sufficient profit to make that contribution is determined largely by the periodic review every 5 years, it isn't possible to commit to funding support for existing eligible customers, let alone the full extent of those likely to be eligible.

Additionally, the current arrangements don't easily allow for changes in the face of significant economic downturn and increase in need. Whilst we have made some changes to our scheme in response to the anticipate economic downturn arising from the pandemic, it is possible that we will not be able to meet the full extent of the increased requirement that could arise in some of our scenario modelling of potential increases in unemployment and benefit claimants.

The levels that companies set their tariffs vary considerably for a range of reasons, which means that there is disparity between the support provided to financially vulnerable households depending on where they live. This is in part due to the level of funding available, but it is also influenced the size of the average bill before any discount is applied and companies with higher average household bills have to fund a larger discount for any given level of social tariff. To illustrate, the Welsh Water HelpU tariff for 20/21 is set at £250, which is a discount of £201 from the average bill. The tariff is set at this level after

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carrying out propensity to analysis of our entire customer base, which concluded that customers were most likely to fall into debt once annual charges exceeded £200-£250. A notional company 'A' with an average bill of, say £350, would have to fund a discount of £100 for the same social tariff, and therefore have the ability to fund twice as many customers for a given level of cross subsidy/company contribution. There is an opportunity for Ofwat to account for the difference from undiscounted bills when assessing how to create capacity for sustainable funding and we would be happy to work with Ofwat and CCW in exploring this further.

6. *How could the sector's approach to promoting and delivering support (rather than the mechanisms they use) be improved? How could the households' awareness of assistance options be raised, including hard to reach households? How could the process for households to apply for financial support schemes be improved to make access easier?*

As noted above, the sector has developed strong relationships with other utilities, advice agencies and the third sector in raising awareness of the support available to customers. However, the fact remains that it is incredibly difficult to engage with some of the customers that need our support most. Through our Water Resilient Community (WRC) scheme, we learnt that in order to address this we needed to work with groups that have a strong community presence. Often these weren't the larger groups that operate at a national level (such as Citizens Advice or the debt advice charities), but local community groups that ran events like mother and toddler sessions or coffee mornings for pensioners or working with medical professionals, that have regular contact with many of the customers that need support.

Our WRC pilot project focused on the Rhondda Fach area of the South Wales Valleys in 2018/19. Following this, in 2020 we have initiated similar projects in Rhyl and the northern part of the Rhymney Valley, from Rhymney to Bargoed. Both areas are amongst the poorest performers on the WIMD and we also have capital investment schemes in the areas during AMP7. Whilst work has been ongoing in both areas for a number of months, our activities – especially relating to direct community engagement – have been hampered due to the coronavirus pandemic. We would be happy to provide more details on our WRC projects, and have included a copy of our report of the Rhondda Fach project with this submission, with the following video with feedback from participants in the project.

<https://corporate.dwrcymru.com/en/community/investment-projects/rhonddafach>

We have established an Affordability Promotions team that works with organisations, such as housing associations, that will have regular contact with customers. We will train their employees to manage the social tariff application process, which means they can incorporate this into a wider discussion about debt advice. It also takes away any 'fear' of contacting us and therefore they are more likely to complete an application.

Our team also work in local communities providing advice on reducing water charges to low income households. Our approach receives a great deal of positive support from local authorities, job centres and, more recently, National Energy Action. We would be happy to

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provide details of these organisations for CCW to follow up with in order to understand how this works for them. However, it is important to note that working at this local level requires considerable effort in terms of resources and time and replicating it at scale across our supply area simply isn't feasible.

As noted in our response to question 2, some of the evidence requirements that customers are asked to provide for tariffs can act as a deterrent. This is particularly the case for WaterSure, where medical documentation is requested to progress applications. Feedback from our partner organisations is that the additional effort this places on customers, particularly in terms of having to arrange appointments with their GP to get the relevant documentation when their physical conditions make it difficult to get out, leads to some dropping out through the process.

The ability to share data with other utilities, local authorities and DWP would address many of these challenges. The sector has just finalised to share information with DWP, and this will be piloted to check eligibility for WaterSure, so we do not understand how effective the process will be in addressing wider financial vulnerability.

#### *7. Are there any particular lessons from other fields or sectors, which may be transferable, that the water sector should take account of in shaping its future approach?*

Energy is probably the closest sector in terms of challenges that financially vulnerable customers face in paying for an essential service. The Warm Homes Discount is available for low income households and this may be worthy of further investigation in considering alternative arrangements.

We have noted that the ability to share information on financial vulnerability would allow companies to identify financially vulnerable households more quickly. The sector is working with the energy sector to share priority services information. Whilst there have been several complexities to work through, consideration should be given to looking at the feasibility of extending this to include financial vulnerability.

End.



Rhondda Fach

# WATER RESILIENT COMMUNITIES





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# Chris Jones

## Chief Executive, Welsh Water

As a not-for-profit company – we are committed to earning the trust of our customers in everything that we do, every day. That means that we shouldn't just be working on behalf of customers – but in true partnership with them.

After we started a major investment programme in the Rhondda Fach area, in the South Wales Valleys, to replace and cleanse the water pipes, we have worked hard to reach out more to our customers, and get them more involved in our work and how we carry it out.

The result is the Water Resilient Community project – which represents a fundamental shift in how we work. It has been an opportunity to reach out to people about more than just spades in the ground – but to work with them across the whole range of support we offer.

It has meant we can encourage more people who may genuinely struggle to pay their bills sign up to one of our social tariffs; we have also used it as a chance to get more people to register on our Priority Service Register, to understand what extra support they may need. We have offered free lessons to all schools in the area to educate our future customers, as well as providing free water efficiency audits to all homes in the area.

While we're working in customers' communities, we have been working closely with community groups and organisations who have helped us identify who these people are and have helped to get the whole community working with us for everyone's long-term benefit.

We've had great initial engagement with community groups – and the feedback we have had so far is very encouraging. Our biggest challenge is to maintain this over the long-term. We want to work better with communities, provide a better service for our customers – but to leave a lasting legacy in the area once we've left.

I want what we've started in the Rhondda Fach to be a blueprint for how we work elsewhere to create a truly sustainable relationship and a lasting legacy in the areas we work.



## £23 MILLION INVESTMENT IN THE RHONDDA FACH

After we started a major £23 million investment programme in the Rhondda Fach area, in the South Wales Valleys, to replace and cleanse the water pipes, we have worked hard to reach out more to our customers, and get them more involved in our work and how we carry it out.

# Introduction

As one of Wales' largest companies we make a significant (more than £1 billion) contribution to the local economy, we provide a vital public service and are an environmental guardian.

Sitting alongside one of our largest investment programmes (£23 million), the Rhondda Fach Water Resilient Community pilot project aims to maximise the benefit of our presence in some of Wales' most deprived communities – focussing key areas of our work on a comparatively small geographic area with the intention of leaving the legacy of a "water resilient community."

The success of the project is dependent not only on the collaboration of departments and projects across our business, but also on the co-development of our strategy and its implementation with the customers, stakeholders and residents of the area.



# Background and context

As outlined in Welsh Water 2050, our long-term strategy to tackle some of the biggest challenges we face, we have set ourselves an ambitious mission, “to become a truly world class, resilient and sustainable water service for the benefit of future generations”.

Underpinning this long-term mission are 18 “strategic responses” to address our most pressing challenges. One of these strategic responses outlines our ambition to work with customers and communities to help achieve our mutual goals. The Rhondda Fach Water Resilient Community pilot has challenged our normal way of working – to maximise

the impact we have on communities we are working in, while working towards our long-term vision.

The Rhondda Fach is situated in the South Wales Valleys, we have 9,748 household accounts in the area and around 21,000 people.





# Challenges

A socio-economic report of the area was commissioned by the project and produced by Dr Mark Lang, of Cardiff University, who co-developed the ‘Deep Places’ approach to economically, socially, culturally and environmentally sustainable communities. The report highlights the challenges the Rhondda Fach faces, including the levels of deprivation, child poverty and unemployment.

KEY FINDINGS									
Rhondda Fach Welsh Index Multiple Deprivation (WIMD)									
<div><div></div> 10% MOST DEPRIVED<div></div> 10%-20% MOST DEPRIVED<div></div> 20%-30% MOST DEPRIVED<div></div> 30%-50% MOST DEPRIVED</div>									
	WIMD	INCOME	EMPLOYMENT	HEALTH	EDUCATION	ACCESS TO SERVICES	COMMUNITY SAFETY	PHYSICAL ENVIRONMENT	HOUSING
FERNDALE 1	697	706	512	530	854	1811	596	1868	262
FERNDALE 2	540	699	430	373	372	1026	857	1640	585
FERNDALE 3	393	450	199	349	302	1603	1130	1101	1091
MAERDY 1	97	118	40	123	157	971	128	1802	1025
MAERDY 2	60	45	26	81	96	503	630	1873	1046
PORTH 1	794	920	528	836	590	1717	316	942	1107
PORTH 2	1166	1154	995	355	1119	1853	1325	1688	1377
PORTH 3	482	435	440	628	425	714	362	1026	1011
PORTH 4	374	423	279	270	419	1338	287	740	1075
TYLORSTOWN 1	5	4	8	16	20	574	101	1843	506
TYLORSTOWN 2	214	289	248	211	109	566	685	1747	294
TYLORSTOWN 3	131	184	77	178	80	1201	371	1880	373
YNYSHIR 1	127	189	71	222	101	607	441	696	616
YNYSHIR 2	691	695	586	543	520	1697	867	546	1440

# Well-being

As well as the socio-economic report, a well-being assessment and plan was produced for the wider area by Cwm Taf Public Service Board, a statutory requirement for public services under the Well-being of Future Generations (Wales) Act.

The assessment identified three key objectives for the well-being plan for the area, and it was agreed at our first stakeholder event to launch the Rhondda Fach pilot, that the Resilient Communities project would align with these objectives and would aim to work with and enhance current initiatives in the area to avoid duplication.

THESE OBJECTIVES WERE:

- 1. TO PROMOTE SAFE, STRONG, AND THRIVING COMMUNITIES IMPROVING THE WELL-BEING OF RESIDENTS AND VISITORS AND BUILDING ON OUR COMMUNITY ASSETS
- 2. TO HELP PEOPLE LIVE LONG AND HEALTHY LIVES AND OVERCOME ANY CHALLENGES
- 3. TO GROW A RESILIENT LOCAL ECONOMY WITH INFRASTRUCTURE THAT ATTRACTS PEOPLE TO LIVE, WORK AND PLAY IN CWM TAF

The alignment to these objectives has supported the project to keep alignment to our £23 million investment in the drinking water network between Maerdy and Pontypridd.



OUR CWM TAF  
**CWM TAF**  
WELL-BEING PLAN  
**2018-2023**

# Working with our customers

As part of our Customer-led Success ethos, we're increasing the amount of customer involvement in our business planning and on day-to-day decisions - through working with, and listening to, our customers. Ofwat's "Tapped In" report highlights the importance of involving customers and the principles of moving them from "passive recipients to active participants".

The pilot has looked to harness the knowledge and creativity of customers living in the area to maximise the impact we have, as well as support our business priorities - like customer behaviour changes in our Let's Stop the Block campaign and for water efficiency, as well as working with customers to understand barriers they may face that prevent them paying their water bill, or falling behind with payments. The ultimate aim of the pilot has been to jointly-deliver our plans

to create a water-resilient community - and to leave a legacy once we physically leave an area.

This approach requires significant input from customers and stakeholders, as well as an open mind and receptive culture within the business. To this point, we have worked with 20 different local organisations and groups to gain feedback and jointly produce our plans for the area - as well as key messaging and marketing materials for the local area.



"Customers and communities have knowledge, skills and creativity that can solve problems and help find ways to innovate."

Ofwat, Tapped In





# Who we work with

We identified key stakeholders that should be involved to help develop our plans for the area. Cynnal Cymru were commissioned by the project to help identify and connect with local stakeholders, ensuring we had the right people involved from the beginning was a crucial step in the success of the project.

After identifying stakeholders, we held a workshop to share views and ideas with the group to gain feedback. Stakeholders included:

- Interlink RCT (the County Voluntary Council for Rhondda Cynon Taf)
- Trivallis (the main housing association for the area)
- Wales Council for Voluntary Action (WCVA)
- Rhondda Cynon Taf County Borough Council (RCT CBC)
- Office of the Commissioner for Future Generations
- Cwm Taf Public Service Board (Cwm Taf PSB)
- Cwm Taf University Health Board
- Natural Resources Wales (NRW)

The workshop highlighted some of the challenges faced in this area as well as the strong sense of community spirit. Seven themes (listed below) emerged from the discussion, bringing to life the information presented in the socio-economic report for the area:

- Communication and community spirit
- Health and well-being
- Business
- Mobility and transport
- Education and employment
- Environment
- Income

Stakeholders identified a large number of potential groups to work with which helped shape an action plan supporting us to begin building relationships in the local area.



“In August, I was invited to a Welsh Water meeting to provide insight into the communities of the Rhondda as Community Advice and Support Coordinator for the Rhondda. The impact of that meeting was fundamental in the way they rolled out their programme in the Rhondda. Welsh Water used the information to start engaging in the community, realising that their customers were the community. Alongside the traditional letters and information bus they also started attending community meetings and events. This gave them insight to their customers managing to save them money and also improve communication.”

Interlink RCT





# Involving our customers

To date, we have involved and worked with communities in a number of ways including:

- Using existing networks to gain feedback and become trusted partners to share our messages with customers
- Local “social prescriber” – a health professional who can refer people to local, non-clinical services – and health and well-being coordinators to get involved with health and well-being groups
- Inviting local customers to open discussions around our plans for the area
- Visiting local community venues to talk to customers, raising awareness of the services we are offering in the area
- Working with the Welsh Government's Valleys Task Force who have been working with communities in Ferndale and more widely throughout the area
- Co-development of local marketing materials
- Working with Jobcentre Plus in Porth with customers who are receiving benefits and may be eligible for social tariff support
- Taking part in the Facebook Live event where customers had the opportunity to get updates on work in the area – including the investment in the drinking water network and additional work to build resilience in their community. A total of 1,900 customers tuned in and the video has had over 4,000 views
- Through the Education team, we have also worked with our future customers by providing free lessons to all schools in the area, providing information and raising awareness of the investment in local drinking water network and the importance of water efficiency and how they can be more water efficient at home





## Case study Rats in Penrhys

Through one of our customer involvement events, we discovered there were growing concerns over the number of rats on the Penrhys estate. Customers were concerned about the risks to their children, especially as officers from the council's Environmental Health team had been called to the local primary school several times. Customers had raised their concerns to several organisations but the situation was not improving.

A meeting was held with the Penrhys Partnership (a charity run by local people to support those living in Penrhys), Trivallis and Rhondda Cynon Taf Council to look at how to best tackle the situation. Our colleagues in Wastewater Services surveyed the Penrhys wastewater network. A large part of the estate was demolished

over 12 years ago and the surveys uncovered the 'abandoned' part of the network, which had not been capped off and could be used by rats to access the 'active' part of the network.

Two meetings have been held to agree a plan of action created with the Penrhys Partnership, Trivallis, Rhondda Cynon Taf Council and Welsh Water. It has been agreed all organisations will work in partnership to resolve the issue as quickly as possible – to improve the living conditions on the estate.

Work on the network began in July 2018 – and highlights the benefits of partnership working with an action plan developed, agreed and delivered within eight weeks.



## Case study Community co-development

We worked with 32 customers in Ferndale, Penrhys and Tylorstown to understand how we could improve our messaging around the offering of a free water efficiency audit in their home.

Our original leaflet had messaging many customers found confusing. For example, many didn't know what a 'water saving house audit' meant. After explaining what a water efficiency audit would mean and the benefits it could have, all customers said the selling point for the water audit was that they could save money on their bills. It was agreed this would be the headline message for the leaflet.

Customers also felt the Rhondda Fach wasn't necessarily an area they would make an instant link to – and if we wanted to grab people's attention we should use the local town name such as Ferndale or Penrhys as people felt a strong connection to the place where they live, rather than the area as a whole. It was also suggested using landmarks specific to the local valley would strengthen the local messaging.

It was also felt the text needed to be broken up to make it easier for customers to understand as well as quickly locate the information they were interested in, such as 'what will happen'.



### Welsh Water

We have provided the survey of the wastewater network, reduced costs of the work on the network from £35,500 to £5,500 by working with our partners to find the most cost-effective solution, and arranged a community information event which took place on Friday 20 July in Penrhys.



### Trivallis

Trivallis have agreed to pay for the work on the wastewater network and will use their communication channels to let their tenants know about the work taking place on the estate – Trivallis own a large proportion of the properties in Penrhys.



### RCT CBC

RCT have agreed to investigate and cost the baiting options once the work on the network has been completed, they will also support the community event by providing customers with information on recycling and providing food recycling caddies, which may also support with the reduction of rats.



### Penrhys Partnership

Penrhys Partnership are the link to the community and will promote the work through their social media pages and word of mouth.

### Original leaflet

Customer feedback on our original leaflet:

The title didn't grab their attention

The wording was confusing

Too much text



### Free water saving house audit with Welsh Water's Rhondda Fach Project

Save water, energy and money

Although rain falls freely from the sky, we put a lot of work, energy and time into getting water to you. That's why it is important you use water as carefully as possible and therefore, we are offering every household in the Rhondda Fach area a totally free water saving house audit.

One of our friendly engineers will visit your home and check that your water appliances are as efficient as possible. We will then give you a summary of what we found and offer you a selection of free products which will help save water and money, especially if you are on a water meter.

Visit our website [www.dwcymru.com/rhondda-fach](http://www.dwcymru.com/rhondda-fach) for more information. Or email us on [water@rhonddafach@dwcymru.com](mailto:water@rhonddafach@dwcymru.com) to book an audit for your home.

Alternatively, if you complete the following section, we will get in touch to organise your free audit:

Name:

Address:

Telephone number:

[dwcymru.com](http://dwcymru.com)

### Leaflet co-created with customers

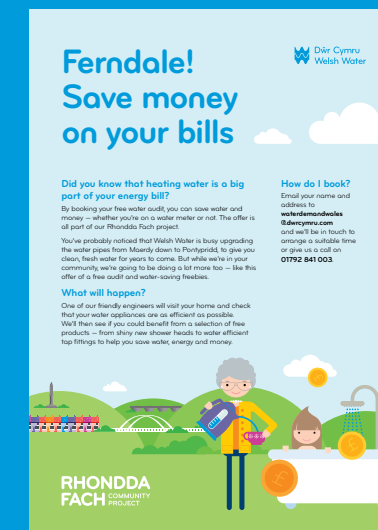
The changes we made as a result of working with our customers:

Hyper-local messaging

Simpler headings

Clearer explanation

Featured local landmarks





# Maintaining engagement

Making sure we kept our engagement with the local community has been key to its success, making sure groups and organisations are kept in the loop and customers know how we are using their feedback.

To maintain their involvement we have held smaller meetings with important partners like Trivallis, Interlink and the Valleys Taskforce to ensure our work is aligned with other initiatives in the area and maximises our impact. For example, we held a meeting with Trivallis and their communications team to share best practice, understand their communication channels and how we could work more closely to share messages with tenants – as well as understand how we could communicate differently.

As a result of this meeting, we raised awareness of the project in Trivallis, used their channels by including information on the project and wider investment in the drinking water network in the quarterly tenants magazine.

As well as holding our own meetings with individual organisations and groups, we have attended community events and meetings to reach a wider audience. We believe this has helped to increase the trust and engagement in our messaging by showing joint working with already-trusted groups.

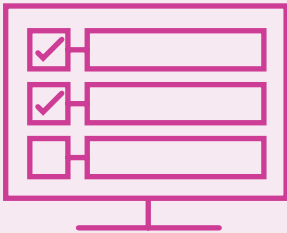


## Case study Trello

To maintain engagement we have also explored new ways of sharing information with stakeholders. It isn't always possible for all stakeholders to attend all meetings, which may result in them missing key updates and slow down the progress of the project.

It was agreed with the external stakeholder group we would test a free, online project management tool, Trello, as a way of sharing information among the group.

The Trello board enabled the internal team to upload key information and documents to their section of the board where they felt this might be relevant to the wider group. External stakeholders also shared upcoming events and information relevant to the project which identified a number of opportunities which might not have otherwise been identified.



# Impact

As well as positive feedback, we have achieved several outcomes in the first six months through working with communities differently, these are listed opposite\*.



### Case study

#### Maerdy paddling pool

As part of a wider request from paddling pools in Rhondda Cynon Taf, we filled up Maerdy paddling pool at no cost to local groups – supporting Trivallis at the launch event by providing 100 free water bottles, education activities on the day and some bottled water.

We also used the event to further raise awareness of the support available to customers in the area such as the water efficiency audits, social tariffs and our Priority Services Register.



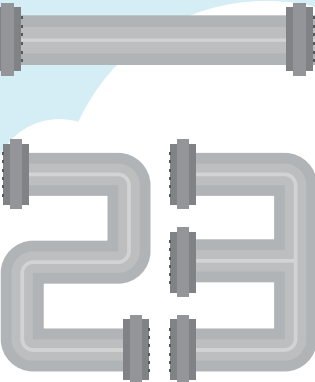
We've helped customers save over £120,000 through lower bills



2,000 children have received one of our lessons



23 groups and organisations have worked with us to change the way we do things



23km of drinking water pipe have been replaced



Community groups have received £13,000 through our Community Fund



6 local customers joined Prince's Trust 'Get Into Construction' programme



# Community Fund

The Community Fund was launched in September 2017, and offers grants of up to £1,000 to non-profit groups and organisations across Wales, with those who have Welsh Water work taking place in their local area being given higher preference. Groups are able to apply for one-off costs for projects, equipment etc. that will bring benefit to their local community.

The project has enabled us to further promote the Community Fund to local groups in the area. We have worked closely with Interlink RCT which is closely linked to many of the groups in the area and provide information and training on bid writing. Interlink RCT has promoted our Community Fund to these groups which has seen a significant number of applicants coming from the area.

A breakdown of the Rhondda Fach in comparison to Wales can be found below.

Despite having fewer than 10,000 households, the Rhondda Fach has received over 30% of the funding from the total of the Community Fund. This further highlights the benefits of working with trusted partners to ensure key messages reach local customers.

	NUMBER OF GROUPS	AMOUNT AWARDED
RHONDDA FACH	28	£10,100.00
PAN-WALES	102	£32,015.00
RHONDDA FACH AS % OF TOTAL	27.45%	31.55%



“Welsh Water has built up a strong partner relationship with Trivallis – working with us to engage with our customers to provide the minimal disruption to their everyday lives while works have been going on in the area. We believe that the partnership is an active demonstration of both our organisations values and commitment to our customers. In addition to these obvious benefits of great partnership working, we have successfully worked together to offer a variety of positive publications to communicate with customers.”

Trivallis



## Case study Providing financial governance expertise to Tylorstown Welfare Hall

Interlink RCT came to us for support for Tylorstown Welfare Hall, who had been successful in getting an award of Big Lottery Funding to improve services available at the hall. They were looking for a trustee to volunteer an evening a month who had experience of financial governance and large sums of money. Peter Bridgewater, Financial and Commercial Director for Welsh Water, has agreed to fulfil this role – which will add great value to their board of trustees.



# Future Plans

The Rhondda Fach Water Resilient Communities pilot project has been ambitious, challenging the way we work not only internally, but also with external partners and customers in a community where we have a large, disruptive investment taking place. However, in the first six months, we have learned a great deal about what works, what doesn't work and further areas we would like to explore.

As a result of the successful start to this project, Welsh Water has already committed to working in this way with at least five different communities between 2020 and 2025. Locations for future projects are still to be confirmed, however we will run one of these projects each year throughout next investment period. Project locations will be identified by analysing data from the Welsh Index of Multiple Deprivation, our social tariff

uptake – and cross-referencing it against our major investment schemes.

We believe the Water Resilient Community project represents an important first step in changing how we work in communities – and we are looking forward to using what we've learned to improve communities around the areas we serve, together with the people who live there.



“we are looking forward to using what we've learned to improve communities around the areas we serve, together with the people who live there.”





