



CCW

The voice for water consumers
Llais defnyddwyr dŵr

Dŵr Cymru
Accountability Session
transcript

10TH MARCH 2026

Attendance list

Roch Cheroux	Chief Executive Officer of Dŵr Cymru
Kit Wilson	Chief Customer Officer at Dŵr Cymru
Steve Wilson	Chief Operations Officer at Dŵr Cymru
Alun Shurmer	Chief Strategy and Stakeholder Engagement Officer at Dŵr Cymru
Samantha Hare	Insight Manager of Taylor McKenzie Research (TMCK) – Lead facilitator
Rhodri Williams	Wales Board Member for Consumer Council for Water (CCW) – Chair
12 x Participants	Water Voice Community Members under Dŵr Cymru

CCW Chair: Two hours may sound like a long time to discuss three questions but I can assure you, having done this once before, it's not, the time will fly, so if you can please keep your contributions concise so that I don't have to interrupt and ask you to hurry along. As you know, the session is part of CCW's Water Voice Programme, which is in our view, simple but important. It's to give customers a stronger, more direct voice in how their water company performs, communicates and improves. In a word, it's about accountability, it's an opportunity for customers to question senior leaders from Dŵr Cymru directly, about the issues that matter most to you, about where you think improvement is needed and about what change will happen as a result of this discussion. It's not a complaints hearing, it's not a technical enquiry, it's a structured, customer led conversation, focused on accountability, learning and on agreeing some clear, practical actions.

The topics we'll cover this evening haven't been chosen either by Dŵr Cymru or by CCW, they've been shaped by customers through ongoing surveys and discussions within the Water Voice Panel, and that, as you panellists will know, is important. This is your agenda.

And can I just try and set the tone at the outset? We expect this to be a challenging discussion in places but a respectful one, customers should be able to feel able to speak openly and honestly about their experiences and about their expectations. Equally, we expect clear and transparent responses from Dŵr Cymru's senior team.

As you should all know, the session's being fully transcribed, it'll be published, a report will follow and the company will be expected to publish an action plan, responding to the commitments that are made tonight. That transparency is a key part, I think, of what makes this whole process meaningful. So in terms of ground rules, there aren't many, we'll take one person at a time, we'll keep contributions focused and we'll concentrate on forward looking actions, what will change, by when and how customers will know.

Can I now introduce everyone else who's joining us this evening, firstly our independent facilitator who you've heard from already, Samantha Hare from Taylor McKenzie, who are facilitating the whole of the Water Voice Programme on behalf of CCW, and Samantha's going to guide the discussion and ensure that all voices are heard. Representing Dŵr Cymru this evening will be Roch Cheroux, Chief Executive, particularly pleased to see you joining us this evening, Roch, and Kit Wilson, the company's Chief Customer Officer. Later on, we'll be joined by Steve Wilson, the Chief Operations Officer and Alun Shurmer, the Chief Strategy and Stakeholder Engagement Officer.

For the first part of the evening, we're in the hands of Roch and Kit, so thank you both for participating. So that's it from me, I'll hand over to Samantha, who'll lead us through the first part of this evening's proceedings.

TMckK Facilitator: Lovely, thank you so much, Rhodri. It's so lovely to see you all again and welcome, Roch and Kit, thank you for joining us this evening, it's nice to meet you both too. As Rhodri said, my name's Sam and I've been working closely with CCW through this whole project, but before we begin, I just want to explain a little bit more about how names and the transcript will be handled.

So in the room this evening, we will only use first names, so in the published transcript, we will ensure that all customer names are redacted. After the session, you'll have the opportunity to review the transcript before it's published, if there's anything that you've said that you don't want to be mentioned in the transcript, you prefer that's removed or even just further anonymised, we can absolutely do that, just if you let us know. Request it to us and we'll get that sorted for you.

The purpose of the transcript itself is to accurately reflect the discussion and the actions agreed, not to single out any individual. So you'll notice at the top of your screen, it will say that the session is being recorded, that is for transcription purposes.

So a little bit about the session, we'll have three questions, we've got three question askers among us in this room so thank you very much for coming forward to do that. For each of the questions, we'll follow the same structure, so a customer will ask a question, Dŵr Cymru have five minutes to respond, community members will then react to that response and we will work together to define an action plan, or the actions that we think Dŵr Cymru should add to their action plan. There will be a live document that's happening in the background, which I will share once it's been populated with everything that's being discussed during the session, so any action that Dŵr Cymru bring up or our panel members as well, and we'll share that on the screen and go through each of them to make sure everything is captured, for when the action plan gets written.

And after that, Dŵr Cymru have some time to respond to any specific actions that they feel are out of scope, out of reach or not possible. The current webinar that we are in is available for live viewing so viewing in a different room that you won't be able to interact with, we've got the CCW team, Defra, OFWAT, more members from Dŵr Cymru, the Dŵr Cymru Independent Challenge Group chair and other community members on our CCW Water Voice Panel.

I think it's best to get us started with some introductions. We've had our time, I'll pass it over to our community members who are here today, and I just want to go round the room and if you could all do a little bit of an introduction, just your first name and maybe whereabouts you're from or a little bit about yourself. I'm going to pick on you, I've got a list of names here so it's just whoever's at the top of my list, so to kick us off, could I start with Community Member 1, please?

Community Member 1: I'm Community Member 1, I currently live in Mold, in the north and I'm a full-time student, studying sound design.

Community Member 2: I'm Community Member 2, I live in Cardiff, I work in a call centre and I'm a big rugby and football fan, looking forward to some Champions League football after this later tonight.

Community Member 3: I'm Community Member 3, I'm a support worker, I see people all over Ceredigion, so I phone Welsh Water a lot.

Community Member 4: I'm Community Member 4, I live in Bridgend, I'm retired and basically that's it, I live with my little dog.

Community Member 5: I'm Community Member 5, I live in Swansea, I'm a mum of four and myself and my husband run a heating and plumbing business, so I do all the admin for that, part time.

Community Member 6: I'm Community Member 6, I'm from Cardiff and I live with my partner and two children, and I'm a civil servant.

Community Member 7: I'm Community Member 7, I currently live in Porth, RCT, South Wales, I'm also a civil servant and also looking forward to Champions League football after this!

Community Member 8: My name's Community Member 8, I live in Swansea, I'm a retired civil servant and I've got to say that's the best job in the world. I live with my wife, our son has moved away from home, living abroad, so it's just the two of us here now.

Community Member 9: Hello, I'm Community Member 9, I live in West Swansea, I live with my husband whom I've been with for 10 years now, we met on a plane randomly, he was sat next to me. I manage a local veterinary hospital in the area.

Community Member 10: I'm Community Member 10, I live just outside Aberystwyth, we're a family of four so I've got two teenage children who use a lot of water and I work in the education sector.

Community Member 11: My name is Community Member 11, I live in Cwmbran which is in South Wales, I live with my wife and little dog and I'm a business development manager in a construction and manufacturing market.

TMcK Facilitator: Back over to you, Rhodri and we can get started with the questions.

CCW Chair: Our first question this evening is going to be asked by Community Member 10.

Community Member 10: Thank you, and thank you to Welsh Water for listening to the customers and taking their points on board this evening, hopefully. My question is, we are experiencing bill increases with limited to no explanation, whilst we read about excessive executive pay packages and bonuses and regulatory fines. At the same time, many households are under real financial pressure and we know some customers are struggling to pay their bills. Although we know we can probably find more information online, we want transparency from you about exactly where our money is going. Additionally, we are aware you are a not-for-profit company but no-one truly understands what that means in relation to operations and cost. What do you currently have in place to monitor and report on spending and what are you going to do, moving forward, to ensure all customers are fully informed on what proportion of customers' money is being spent on salaries, infrastructure and other operational costs? I can repeat part of the question should you want me to but some key points there, I'd like you to address please.

CCW Chair: In responding, can I ask Roch and Kit, if you can be concise as I've mentioned earlier and be as specific as possible, setting out what's already in place, what's planned, what will change as a result of this discussion perhaps, by when those changes will happen and how customers will be able to see and measure progress. To community members can I say, listen carefully and take lots of notes because Samantha will be coming back to you later on, to ask you what you think of what you've been listening to. So Roch, over to you and thanks again.

Roch Cheroux: Thank you, Rhodri and thank you for the question, Community Member 10. Look, I think it's a really important question because this is at the heart of most of the discussion that we have with our customers. I'm going to address a few points and then hand over to Kit for the rest.

I'm going to address the not-for-profit. The not-for-profit means that the company's not owned by anyone, this is exactly like you would have a family with a budget and some asset, like a house, so this is what we are, we are an organisation that is not owned by anyone and the money that is coming into our budget is the money that our customers are paying on their bills, and this money, we're using it as sparingly and as efficiently as possible, to invest into asset and also to operate the business.

So when, at the end of the year, we've realised that we've made a bit of profit, meaning that we've spent a bit less than that we were planning to spend, then this money in the following year is reinvested into mainly two things, social tariff, so that's to support our customers that are struggling to pay their bills, and asset, so additional investments that we are making with this additional money.

So that's the principle for the not-for-profit. If you compare to a private company, a private company would potentially make profit and then would pay dividends out of the company to some shareholders, this is not what we're doing, every money that is in the company is used for water services and that includes assets, operation and social tariff, which is a really important part of what we're doing.

The transparency and the explanation and look, thank you for the feedback because as you said, there is a lot of information that is available online and we try to put also a bit of information in all our bills, but the feedback is important because it means that this is not visible and this is not understandable enough. So that's definitely something that we are prepared to work on because the more our customers understand what we do, how we do it, where the money's going, is absolutely critical, so that you can trust what you're doing.

There is one document that is published every year, that is really important, it's called the Annual Report, it's published, it's a statutory obligation that we have to publish this document, it's published every year, it's available on our website, it's a big document but you have absolutely all the information including how the money is used. Now, it is quite complex to read because that's basically the account, the financial accounts for the company, but you would find all the information, all the financial information and the operational information in a very, very transparent way. But I hear your point and that's definitely something that we'll want to improve. I'm going to hand over to Kit now for a bit more detail.

Kit Wilson: Thanks, Roch. So just to build on the point about supporting customers who are struggling to pay, as Rob said, we reinvest what would be a surplus, into our social tariffs, £14m every year goes into supporting customers who maybe struggling to pay their bills. To bring that to life, we've got 140,000 customers currently supported through this scheme, which gives them up to around a 50% discount on their bill and we've got plans to grow that steadily over the next five years, so that will reach up to 180,000 and we've provisioned for that.

We've also got a dedicated team whose role it is to identify customers that may be able to and eligible to access that support and may not realise that, so we're trying to make that as proactive as possible, so that customers don't necessarily have to reach out to us directly to understand whether they're eligible for social tariffs and other forms of support that we offer, we can actually directly contact them because we understand they may have eligibility. I'm just conscious of time, Rhodri, there's only a few seconds left.

CCW Chair: I'm prepared to let you carry on a bit if you think it's really important to add something else.

Kit Wilson: All I was going to say, in terms of the making, being more transparent with where our investment is going, that was definitely something that we could have done better I think in the last, this time last year, when we released our initial price increase. We've taken on board a huge amount of feedback from customers and this year we've really tailored our new builds, breaking down the investments that we're making and creating a dedicated website for customers, where you can see where the investment's going in your area. But I recognise we need to do more here and we need to do more in terms of directly engaging with the community to make people understand where the investment is going for them in their local areas.

CCW Chair: Thank you both, thank you for keeping it concise, I appreciate that very much. So we're now going to turn back to our panel members and this isn't about asking further questions of the company, it's about testing whether what you've heard is clear, credible and sufficient. Samantha's going to guide us through this part of the discussion and make sure

that we draw out any specific actions that you think should form part of the company's accountability plan. Samantha, back to you.

TMcK Facilitator: Lovely, thanks, Rhodri. Just before we do get started, Community Member 12, you should be with us now, is that right?

Community Member 12: Yes, I can hear you now, thank you!

TMcK Facilitator: For this section, we're focusing on your reaction to what you've just heard, so not new questions at this point, we really want to understand what you feel about what's just been said. Is it enough? Is it what you'd expect or what additional actions do you want your water company to take, that will fix this? I think it's best to start with Community Member 10, who said the question, so over to you first of all, for any comment.

Community Member 10: Thank you for your comments. I don't think you fully addressed the question, I'm afraid. I think you told us that money is spent on the social tariff and assets but you didn't really address the point regarding salaries, and the fines that Welsh Water have had to pay over the last few years. Does the fine come out – I know we're not allowed to ask questions but it would be interesting to know whether the fines come out of, you call yourself a non-profit organisation and all the money obviously goes back to invest in infrastructure, but if you're being fined, that money is being wasted and the money's not being spent on infrastructure or assets.

So to me, we need transparency, how much are you being fined? I'd like to know as part of my bill, where has the money gone? Is it on fines? Is it on salaries? Is it on assets or is it on social tariff? As a customer, I think we have a right to know how the money is being spent by yourselves, I don't feel you're being very transparent at the moment and all the press we read is really quite damning for Welsh Water. So I think it's really important that if you are – and you say you're going to be more transparent – be transparent then and put in our bills where the money is being spent. How much is the profit? And where is it being spent? And how have you got to that profit figure?

I think it's interesting you say, "Annual Report", who's got time to read an Annual Report from Welsh Water? That should be summarised in an easy, one page document, so all customers can read it when it is published. Thank you.

TMcK Facilitator: Thank you very much for that. Does anyone else have anything to add? Community Member 2?

Community Member 2: The Annual Report thing, over the last 10 years always baffles me, they used to say patriotism was the last refuge of a scoundrel but it's the Annual Report now. In this day and age, with everything online, having an Annual Report which is in accountancy speak for the customer to try and translate isn't good enough and I think what Community Member 10 was saying about a one page summary or a two page summary, you could put these summaries up every month as things are happening, "We were fined last month" or "Actually, we had an extra expenditure, something unexpected happened and we had to fix it."

You could do it monthly or fortnightly, I think having an Annual Report that isn't even translated for us, the consumer, isn't good enough really and I'd like to see more transparency and I'd like to see more regular updates, and not just on the bill but yeah, I just think it should be, in this day and age, companies should be a lot more open – because the technology is there to help you be more open and be more transparent, it's there for you.

TMcK Facilitator: Thinking about the Annual Report, what sort of format would you like it to be in? How would you want to receive the key points of it, for example?

Community Member 4: Well, like bullet points really, isn't it? The shorter, the better. I've been a customer of Welsh Water for I don't know, 20 odd years, I didn't even know there was an Annual Report, I've never received any sort of information about profit transparency or anything in all that time.

Community Member 10: Can I just come in? I just wanted to say, I think a two-page summary of the Annual Report would be really useful, with some very visual maybe pie charts or something, showing us how the expenditure, how money has been spent over that last financial year, so that the customer can clearly see how their money's been spent. You know, we don't want jargon, we want plain speaking, things that customers can understand and then we could see that you are being fully transparent because that's what we need from Welsh Water now, I think.

Community Member 2: I was just going to say, a two page annual summary, I'm not sure if it's enough, it's fine for Tesco or for Asda or for BMW, companies that people choose to interact with can do an Annual Report and they can make it as easy to read as they anything, but I think utility companies, gas, electricity, people that we use on a monthly, weekly basis, they need to be more transparent, more regularly, I just don't think once a year is enough because again, it could be that you had a big incident in North Wales which polluted the rivers in March. It could be that in May, you had another incident in Mid Wales, it could be that you had an extra expenditure on a sewage plant in South Wales in June, these things are coming thick and fast, with a company that engages with the public, with a utility company, I think utility companies do have a more onerous, they should be more revealing more frequently, definitely.

TMcK Facilitator: You mentioned not once a year for this report, how often would you want to be communicated with?

Community Member 8: If I could come in on that, I would hope and assume that the management at high levels would get monthly reports at least, in term of how their organisation's operating. I don't think it's a big ask for some of that to be translated into everyday English that we as customers could understand, and perhaps again some specific criteria or performance measures that are important to us. I mean particularly the one about the fines, at the end of the day, I assume we are paying for that, where it quite often is something that could have been avoided by effective management within the organisation, and I think that then links back to the accountability of the senior management.

Community Member 10: Can I come in as well? I think it's really interesting that bonuses are paid whilst fines are also being paid, so clearly, something is broken in the system, yet executives are still paying themselves bonuses. I can't quite understand how that's justifiable, given the state of Welsh Water at the moment. I've read, done some research and hundreds and thousands of pounds' bonuses have been given and I really don't know how you can justify that, given what we are seeing as customers, rivers being polluted, infrastructure broken, leaks everywhere, bills going up and the list goes on, I'm afraid.

Sorry, I know I sound damning but I am quite upset about the situation, given my bill is going up, I see the river by me polluted, the sea polluted, it's just not good enough, bonuses shouldn't be paid unless you're performing well.

TMcK Facilitator: How do we turn that into an action? How can they communicate that with you?

Community Member 10: We need to know that Welsh Water, we need Welsh Water to be accountable, if they're meeting their objectives, then bonuses should be paid, if they're not meeting their objectives, bonuses shouldn't be paid. So what are the objectives? That is for

Welsh Water and its customers to decide, but let's be transparent about what your objectives are and if things aren't working, then don't pay bonuses out, simple as that.

You shouldn't be having bonuses if your company's not performing well, especially not, you call yourself a not-for-profit organisation so does the profit that's left over at the end of the year go as bonuses? You're still paying bonuses, you say you're reinvesting back into the infrastructure and that social tariff and assets, but you haven't said the actual profit is always going towards bonuses and higher salaries.

TMcK Facilitator: I just want to move onto the other half of that question surrounding not-for-profit status as you've just brought up, what can Dŵr Cymru to communicate that better with you? Obviously, they've talked it through this evening but in terms of communicating it to the rest of consumers, what should they do there?

Community Member 8: I think there's a real need to communicate the type of asset investment that it's been making so that customers can see that that surplus is being used for future service benefit, and it may help alleviate the perceptions that it's purely going into bonuses. There needs to be far more proactive communication of the investments that are being made on in the infrastructure.

TMcK Facilitator: How does that communication work? Where does it go? How do you read about it or see about it?

Community Member 8: I think the first part is as part of its monthly, I would suggest, brief summary of what's happening in the month and at the year end, in simple language that we as customers can understand, not accountants, explaining exactly the investments that are being made, the benefits that customers are receiving for it or it may be the jam tomorrow, what you will receive, but at least it may help a better feeling for us that we are getting something back from that surplus money.

TMcK Facilitator: Does anyone else have anything to add? Community Member 11, you've got your hand up there?

Community Member 11: I was a little bit confused really because I might have misheard this, so the social tariffs, there's people out there getting 50% off their bill? Was it about 140,000 people? Is that right?

Kit Wilson: Yes, that's right.

Community Member 11: And they want to increase this, so this is some kind of target, to increase the amount of people they're giving 50% off, so how many people are actually paying into the system? Who, like what is the criteria amount? Who gets this discount? How many people are paying it? So basically a breakdown on the stat there, like how many people come under this sort of Welsh Water? How many people are paying full price? How many people are paying half price? Why are we targeting more people to pay half price? I'm guessing the economic model is we need to charge normal people more to give, that there's a target to increase that by 40,000 people paying less, that, the maths there is throwing me off a little bit, I could do with another breakdown on how many people are paying full price, how many people are paying less, why are they paying less and why is that a target, to get people paying – only certain people paying less? And how does that affect normal people? Are normal people's bills going to continue to rocket?

TMcK Facilitator: I think that could almost be a whole separate question in itself but if you were looking for that information, where would you want to find that or how can we turn that into an action?

Community Member 11: We're talking about a report here in basically layman's terms, for everybody to see. I think you could uncomplicate those figures, you could simplify those. This is probably me but I feel like figures like that will be buried because there'll be a huge amount of unfairness there and they won't want to publicise that, so I would like to see the transparency around – because I didn't even know, I thought everyone was paying the same, this is new knowledge to me.

TMcK Facilitator: Community Member 3, you've got your hand up there?

Community Member 3: It's kind of probably what everyone's saying, but what he said, I'm very sorry, he was probably a very nice man but he just gave such a politician's answer to Community Member 10, completely. He said that it's not-for-profit and we spend it as sparingly and efficiently as possible, as on a family budget. Well, if you're on a family budget, I paid my CEO £892,000, that's not sparingly and more efficiently, and that's all he said, it was just covering it up and the social tariff, social tariff is £30 a month which yes, is a lot cheaper, it's still quite a substantial amount and what we need is what's coming in from everyone, if I do a budget with someone, give me everything that's coming in and maybe, I don't know, the amount of – it says that Wales is the worst place, disproportional amount of sewerage discharge, he didn't talk anything about what are they doing about that?! What money is being spent on that? Just be honest with us, but he just completely gave a really fluffy, pleasant answer that he thought we'd all like, which sorry, it just made me angry.

TMcK Facilitator: Community Member 5, I think you were about to speak?

Community Member 5: Sorry, I've lost my train of thought a little bit but I think everybody has just pretty much said how I feel, I mean I am a customer that has gone in from January '25 to my latest bill, my bill is up 47%, I feel absolutely stretched as a mum with four children and I'm still no clearer why there's been such a huge increase in my bill, when I live by the coast and all summer, we were constantly informed of sewage spills. So again, like everybody else, where is that money going? Why are we normal working people being stretched constantly? I just don't feel any of that is really any clearer to me at this point.

TMcK Facilitator: How would you want them to communicate that information with you? What's a perfect, ideal sort of situation for you? What does it look like?

Community Member 5: Again, I think everybody's said transparency, apart from seeing this bill turn up and again, I've done the calculations and it's increased quite dramatically, I've got no clue why really, when our service seems to be deteriorating. It's quite upsetting as a customer and I think when we talked about it last time, we've got nowhere to go with this, we've got no choice who we go with, this is our supplier, I've got no option but to now pay £122 a month, my water's up to, when everything we're hearing is so negative and it seems to be failing massively from a customer point of view, yet we've got no choice, we have to just keep paying this increase and nothing I've heard in that answer really made me any clearer on why this is happening.

TMcK Facilitator: Does anyone else have anything they want to add?

Community Member 9: I totally agree with Community Member 5, I don't think the question was answered with regards to bill increases, year on year, why is this happening? Is it because they're being increasingly fined more and upping our bills? It would be nice to see each year, "Your bill has increased this year to X amount per month", because obviously it never goes down, but why? And what they're doing with that extra money that we're paying a month and is it because they've built a new plant somewhere or they've had more funds than the year before? Why has it increased that much? And like Community Member 5 said, 47% in one year with no explanation, it's not good enough.

TMcK Facilitator: What can they do then?

Community Member 9: So I think each year, when you get your revised bill for that year and it's broken down into 12 monthly payments, they can put it there. I'd love it if they had an app but they haven't, so you can go on and check it. But even if it's once a year as to why this is happening and give an explanation, and the pie chart there, again ideally it would be in an app but they don't have one, I think that would be much better than an Annual Report that like everyone else has said, we haven't got time to go through all that and it would be a lot of jargon to a lot of people, unless you're an accountancy kind of person anyway. So just on the yearly bill, like with council tax, it goes up but they do say what percentage is spent on what, we don't seem to get that with Welsh Water.

Community Member 11: Can I just say, obviously if we look at, I'm sort of hung up on this 140,000 people paying less money, so the water companies, it's obviously funded by people for this almost like a mini welfare system of their own. Like you said with the council tax bill, you get this pie chart where all the money's going. At what point, did the water company decide "I'm going to choose who gets money and who doesn't?". Isn't there an actual welfare system for that? That give people money to help them with their bills? And then we've got, like you find out that even the money we pay for our bill is then being reshared out in a strange way. That's just completely – blowing my mind, really.

Community Member 10: If it's all right, I'd like to ask just one more question about the executives' pay and bonus structure, because I don't think really we've talked – and that was part of my question originally. So would Welsh Water commit to publishing a standalone, plain English breakdown of executives' pay and bonus structure? I would find that really useful, so that at least we know what salaries are being paid out to the executives. I don't know if that's possible but that would be definitely something I would find very useful.

TMcK Facilitator: Kit and Roch will be able to jump in after we've gone through all the actions that we've discussed, so you can answer then if that's okay, about whether or not that's possible. But does anyone have anything else they would want to add before I share my screen and show the actions that my team have been typing away and filling in there? Community Member 7, you've got your hand up.

Community Member 7: I just wanted to say that I have no problem with the social tariffs, in terms of some people getting reduced rates, so that's things like large families, I'm pretty sure get reduced or fixed rates, they can't go over a certain amount if they're on a metered connection, I think is one of the things. So there are a lot of other instances where people do need that help and given the actual amounts we're talking about, I don't think that's necessarily an issue as to are the rest of us paying more? I think that's more of a social policy because it's a social ... if it's a not-for-profit company then it is essentially a social ... experiment. But I do take on the point that people are making about the actual salaries and the bonuses. I just wanted to add a positive to the social aspect.

TMcK Facilitator: Thank you. Okay, I'm going to share my screen now again and go through the actions that my team next door who have been writing down all the actions, that's been discussed. So I'm just going to talk through them and then I'll open up the room again for everyone to have a say on if they feel like anything's missing or anything to expand or any timescales that we would want introduced to each of the actions.

So we asked Dŵr Cymru what they're currently doing. Money is used sparingly and as efficiently as possible for investing and operating the business. In a not-for-profit model, if profits are end of year, then money is reinvested into social tariffs and assets, so additional investment.

They reinvest surplus in social tariffs, so £14m every year goes into supporting customers struggling to pay their bills, which currently is around 140,000 customers. They also publish an Annual Report every year, which is a statutory obligation and it's available on their website which details all monetary spending, and they have a dedicated staff team for social tariffs, so make proactive contact to identify customers in need. Some future actions that they shared with us is to make a dedicated website, to detail local area investment and also a plan to support 180,000 customers in the next five years.

Our panel members discussed what an ideal response would look like and developed actions that they wish the water company to take on board for their action plan, that included transparency over water company spending, including how much is being spent on salaries and fines with bills. To summarise their Annual Report findings into a more regular, two-page, plain English document which would include bullet points, no jargon or complicated terminology, cover specific performance measures and send these updates more regularly and I believe at least monthly was mentioned.

You also want to be provided with clear company objectives, with no executive bonuses if objectives are not met. You also wish to be communicated clearly with about what investments are being made, which would include a brief monthly summary and one end of year summary, this also in plain English and explain clearly the investments that are being made, and highlight benefits for customers.

You would also like a breakdown of customer financial groups within Dŵr Cymru's customer base and an investment report with simplified figures, pie charts and things like that were mentioned too. Clear company explanations for recent bill increases and explanation for where this money is going as well. And finally, a standalone, plain English document, breaking down executive structure.

So we've got a nice list of different actions here that were mentioned, I just want to open it back up to the room for a bit more around these points, if anything needs expanding on or if you wish to add anything to this list.

Community Member 2: When it was first said, it really struck me and because I spoke about something else, I didn't want to mention it but like Community Member 11 was saying, about this expanding to 180,000 people in their social tariff, almost 200,000 people, Wales only has three million people, 200,000 is a huge proportion of people not paying the full bill. The council tax is very onerous, gas and electricity, we're talking £2-300 a month. The water bill is not as big as that, the water bill is not as onerous as gas, electricity and council tax. So if people can't pay with their water, what on earth are they doing with gas, electricity and council tax? But it just strikes me, out of three million people, to have almost 200,000 paying half is an astronomical amount of people suddenly unable to afford their bills, which I know times are hard but that's a huge amount. That just really struck me.

Community Member 11: I think there should be a contingency for certain people who are struggling with their bills but it's just bizarre that like we already have a government system for the people, someone who's struggling generally financially, there is a system in place for that. I didn't realise that the gas people are doing their own thing, the electric people, the water people are doing their own thing and we're all paying into these not-for-profit systems and then the money's just being re-proportioned out and then they're going, "Oh look, there's not enough, you need to pay 50% more", it just seems like a major mismanagement.

Community Member 10: I do agree with Community Member 11's points regarding the, I think it was £14m they said was being spent on the social tariff, which seems very high. I think that needs to be looked at, what proportion is that of the actual money coming in or how is that calculated? And I probably need to look at who's actually getting it, on what basis and it would be really interesting for us because I come from a, we've got two incomes

coming in, we work full time, we've got to work full time to pay our bills, so again, you feel like you're subsidising everyone else and I'm not being mean, I understand some people can't work but I think that really needs to be looked at, what exactly is the criteria?

Point G¹: What would an ideal water company response look like? Can I just say, standalone plain English document, breaking down executive structures and salaries, please, if possible, I think that was key to addressing the point about salaries. And I think it's really important for us to know how much the fines are every year as well, so if we could have a breakdown of the fines, that would be really useful for us as well, to see how those fines have come about. We want our money used in the best way possible and if it's going into infrastructure and improving things for us as customers, I have no problem paying my bill but what I don't want to do is pay my bill to pay fines and executive salaries, so I think that's the point I'd like to get across really. So anything to give clarity and transparency would be great but thank you for taking all our points on board, well my points on board, thank you.

Community Member 3: I'm really sorry, they haven't answered the question at all, if you read the question, there is no answer there in the "we did" and in "we did", they mention social tariffs three times, which wasn't even in the question and I think they only put it three times because they think that that's a lovely kind thing that they're doing, so we won't question the fact that they've spent it all on other things. Because social tariffs was nothing to do with the question and I think they're just ... it's just such a small thing, yeah, sorry, it's just they haven't answered the question.

TMcK Facilitator: Community Member 3, is there anything in the "What would an ideal water company response look like?", that's missing for you? Is there any action you would want them to take to be added here?

Community Member 3: Just answer the question, how are you going to keep us informed on what proportion is being spent on salaries and infrastructure and operational costs? That was Community Member 10's question and in the two answers, they didn't even, it was just a politician talking about social tariffs, "Look, we're really kind to poor people." No! That's not what we're, in my opinion, yeah, just can they, in one page, what's coming in, where's it going? And like Community Member 11 said, tell us how much money you're getting from people.

TMcK Facilitator: Thank you, Community Member 3. Community Member 1, you've got your hand up there.

Community Member 1: I'm just kind of circling back to the not-for-profit bit, it says, "If profits are made then it gets reinvested" and that's not-for-profit but does that then mean that these enormous bonuses that are paid at the end of the financial year, is that not profit? So when they increase our bills, are they automatically taking into account the fact that they're going to get a bonus at the end of the year, and then that's not part of the profit? So they're factoring in their bonus into our bills, essentially?

TMcK Facilitator: How would be the best way to communicate the not-for-profit model with you, Community Member 1?

Community Member 1: Just I feel like explaining the not-for-profit model won't be enormous to most people, so I feel like similar to the breakdown of the finances, just a simple, easy to follow breakdown maybe on their website, of what it means for them because yeah, I just feel like if profits are made at the end of the year, that's basically saying, "Sometimes we

¹ Review social tariff spending

make profits, sometimes we don't" but I'd like to see how far back we have to go where an executive hasn't got a bonus at the end of the year.

Community Member 11: Just to extend on that, we're kind of talking about where money has gone, not what is the plan for next year? Like, "We're going to charge customers this much", Why? "Because historically, we spent this much on this, this and this" and just to extend on the gentleman there, we want to know if that bonus is already built into next year's model, with a view to, I suppose, it would have to be wouldn't it because the aim is to achieve targets, whatever those targets are, so if they do achieve the targets, then I suppose you need that money in there. I don't know, it just seems a bit bizarre doesn't it really?

TMcK Facilitator: I've just noticed the time, so does anyone have any final comments before we pass back to the water company representatives?

Community Member 2: The only one I was going to make, sorry to bang on about the bonuses again but we live in a society in Britain where any chief-executive or any senior executive gets a bonus regardless of whether they do well or not, and we're always told, "If we don't pay the bonuses, we can't get the right people." But they need to explain that not-for-profit thing and the profits being ploughed back into investment, but they never mention they're being ploughed into paying executives and the one analogy which sounds stupid but sums it up for me, I remember when Jermaine Janus lost a goal bonus for Spurs, he was their striker and he wanted a bonus for every goal he scored, and the manager, Harry Rednapp, turned him down and said, "Don't be ridiculous, you get millions of pounds a year and your job is to score goals, why would we pay you a bonus to score goals?".

And it's a bit like being an executive of a big company in Britain, they don't need bonuses, they get paid a huge salary and you get a bonus for doing your job? Well, I don't, if I do my job really well, I don't get a bonus and I think for most people here, if we excel at our jobs and we went for a pay rise or a bonus, our bosses would say, "What are you on about a bonus? You get paid to do your job" and surely that should be ... but I think they need to explain, no-one ever mentions the bonuses, it's always, "We reinvested into the infrastructure", "We reinvested into the infrastructure", well, clearly they don't and they need to explain that.

TMcK Facilitator: Thank you. I've just received a comment from Community Member 6, who would like to see updates on their website monthly, with what's been spent each month and any fines that have occurred during that month. Right, I think, has everyone said what they wish to say before I pass back to Rhodri?

Community Member 10: If I could just make one more point, I think it's really great that we've discussed this and there's some great things there about what the response would look like, but the timescale is so important for me as a customer. I'm hoping what we do tonight is really going to have an impact and there will be a timescale that's not years but potentially, we will see this, the outcome of this discussion actually in action within 12 months, I would hope that that's where the water company would commit to agreeing to doing some of this within the next 12 months.

TMcK Facilitator: Thank you. Okay, Rhodri, over to you.

CCW Chair: Thank you, Samantha, and thank you all. Just one word before I turn back to Roch and Kit, just to explain that all water companies have a social tariff, they are slightly different, they work in slightly different ways but I just want to explain that that's not something that's unique to Dŵr Cymru, but we can talk about that again. I won't take up more time, I'll come back to Roch and Kit, to ask for their response to what they've heard from you.

Roch Cheroux: Thank you, Rhodri. Look, there is a lot here and in the five minutes that we've been given to explain everything, that's simply impossible. So I'd love to have probably more time to discuss these sort of things because this is not an easy answer, to do it in five minutes.

There is one important point that I want to make here, the water industry, so any water company and Dŵr Cymru is part of it, is regulated by what is called an economic regulator. This economic regulator is called OFWAT. OFWAT operates according to this principle, every five years, we go to OFWAT with a budget investment and operation that is needed for the next five years. OFWAT will challenge us on the budget, they will tell us, "No, you're spending too money here. No, you don't need to invest there. No, you don't need to do that." And then they would make a decision on the amount of money that we can spend in the next five years. Based on this decision from OFWAT, they will set the tariffs, that is how it is done, so it's not a decision from Dŵr Cymru to decide on the level of investment and the level of money we spend, and the level of money we invoice to our customers.

This is a decision of the economic regulator, so just wanted to clarify this because this is a really important point, this is not Dŵr Cymru deciding on how much we can spend and how much we can invoice, this is done, this is regulated by an independent regulator, and this is a very important point in our discussion here.

Look, in the actions that are here on the table, I don't have any issue at all because all of the information is already publicly available. So if you go to our website, you will find all the information, if you go to the Annual Report, you will find all of the information including the executive remuneration, including all the bonuses that have been paid in the last 10 or 15 years, you will find all of this information.

Now my commitment is that we will make it easily readable by everyone, so that you probably don't need to get into the pages of the Annual Report, to get the key information that you're asking tonight. And that's something we've done in the past, we have had inserts in the bills, in the past we used pie charts explaining how the money was spent, so this is things we have done. Happy to do it again and to do it regularly, so that's something we don't have any issue to make this information available because it is actually already available.

I want to also to answer the question about the increase in bill and increase in investment. To give you an idea, last year we spent about £400m in terms of investing into pipes, pumping station, water treatment plant, wastewater treatment plant etc. This year, we are investing £650m in the same categories of asset, next year we will be investing £850m in the same sort of asset. So it's just also another number that demonstrates the fact that the money that the bill increase has translated into more investment, so this is happening.

CCW Chair: Thank you, Roch. Does Kit have anything to add to that?

Kit Wilson: Just to build briefly on your point, Rhodri, about social tariffs, they are set in line with government guidelines and we went through an exercise of consulting with customers on the specific levels and subsidies associated with that, which as discussed earlier, does come from what would be our profit, were we to make one, that is then reinvested back into those tariffs and it's not, just to clarify one point, it's not a 50% discount for all customers, it's up to for some but it's a sliding scale, based on circumstances and it's linked to the eligibility of customer benefits.

CCW Chair: Thank you for that, I think at this point, we're going to have to now move onto our next question. As I said, it does take two hours to deal with three questions. For this, we're going to be joined by Steve Wilson from Dŵr Cymru, Kit, you're welcome to stay with us if you so wish, if not, thanks very much but Steve Wilson will be joining Roch for this next section. Our next question is going to be asked by Community Member 11.

Community Member 11: The next question is about pollution. Customers in coastal and river communities describe repeated sewage discharges, health risks and frustration, that these events appear routine rather than exceptional and with a growing population, we are worried these occurrences will happen more often. What are you doing now to proactively alert customers of these incidents, and what measurable improvements should customers expect to see in the next 12-24 months? And what else are you going to do now to ensure that this is improved, moving forward?

CCW Chair: Thanks for that, Community Member 11. I don't know if Steve Wilson is with us, Roch, but I was going to – oh yes he is. Do you want to start, Roch?

Roch Cheroux: Yes, I'm going to start. Look, I want to say that every time there is a pollution incident, you've got 4,000 of my colleagues that are not liking it, this is something that we hate because we are here to make sure that the environment is not polluted. Sometimes it happens and when it happens, we're doing everything we can to correct this situation as quickly as possible, and that's a commitment and I can tell you that you've got 4,000 of my colleagues that are working night and day to make things right, when it goes wrong. And we don't like when it goes wrong, that's very, very clear.

Now, there was two questions I think, the first one was about what are we doing to alert customers? Again, on our website, there is a very detailed map of all the incidents happening in Wales, in our region, in our operational region and there is also a very detailed map of all the, what we call the overflows and there is also an alert when they are overflowing. So all this information is completely transparent and available to our customers.

That's the level of information and very quickly on the improvements, as I said, we are increasing the level of investment that we're doing. We're moving this year, in the next five years, we've got a £4bn investment programme, £4bn is massive, I was talking about for £650m of investment this year, it's going to move to £850m next year and it's going to move up to £1bn the year after, so this is the sort of money that we are investing into making things right.

Now, it's a huge amount of asset that we've got, to give you an idea, we've got 36,000 kilometres of sewer in Wales, 36,000, you can go from here to Australia and back and probably go back again to the Middle East. It is a huge amount of pipe that we've got. So you can imagine that with this sort of asset, things are not going to happen in just a few months' time, it's going to take time. I can tell you that we've got 4,000, I've got 4,000 of my colleagues that are really committed to make it happen. Steve?

Steve Wilson: Thanks, Roch. So we've got a third of the UK's Blue Flag beaches on 15% of the UK's coastline, but less than 5% of the UK's population to pay for all the improvements to deliver and protect those beaches. We've got nine of the 16 UK special areas of conservation rivers which need so much protection, The Wye, The Usk, the Cleddau, etc. So there's huge amounts of investment which we are putting in to try and improve things, but the challenge we have is our sewer network is a combined network, it takes the rain water as well as the foul sewage and what we're now seeing with climate change and urban creep, it's struggling to cope with the capacity as much as it could.

So we have to invest huge amounts of money, over quite a long timescale and that involves practically going street by street, trying to get that rainwater out, all those highway drains, all those yards and roofs which are connected to the sewer network, we've either got to build big storage tanks, which works in summer because we get sporadic rain in summer, but when you get the weather like we've just been having, with rain after rain after rain, once those tanks are full, there's nowhere for that water to go. So we have to start working on disconnecting that rainwater and trying to use green infrastructure where we can, to try and improve things.

So the spill picture from our sewer network is not great because of that combined network and we're trying to deliver this as fast as we can, at an affordable rate because the challenge of re-engineering that sewer network is massive amounts of money, it's £14bn. That's 14,000 million for about 1.4 million households paying the bill, so we're going at a rate which we can deliver and afford and keep that balance right.

But we need to remember, we have a very good coastline, we want to protect it, more rivers, 43% of rivers in Wales meet good ecological status, it's only 14% in England, it's 33% in Europe. The picture is okay but we want it to be far better, it's not good enough and we are working quite hard now to get that right balance of investment and improvement, to get more rivers meeting good ecological status and to get more beaches meeting excellent water quality.

CCW Chair: Thank you, Steve and thank you again, Roch. Back to you, Samantha.

TMcK Facilitator: I want you all again to focus on the reaction that we've just heard and try not to introduce new questions, so we can develop action plans based on this one here. I really want you to tell us how you feel about the response you've just heard, again I'll start with who asked the question, so Community Member 11, if you want to start us off, was it answered? And what actions do you feel that we're missing from that response?

Community Member 11: It's quite difficult when it's new to us, to digest some of those figures, I personally am not going to be able to work out what those kilometres of pipeline and percentage of beaches and population and things like that, they're probably all very interesting statistics that I would like to look into further, but I found that that was just bamboozling with statistics that I won't understand. It was a bit of a confusing response, I don't think I really came away understanding an answer to the question.

TMcK Facilitator: How could they communicate that differently? How could they share that information with you?

Community Member 11: It's starting off again with the numbers, what percentage are we increasing here? Because it sounds like we're going from 6 to 8 to a million, billion, sorry. That seems like huge jumps, I know population is increasing, I know we're digging and we're building the houses as quickly as we possibly can, bringing as many people to the UK as possible. Well, we're struggling to keep up, we've got this huge investment, what is that money going on? What are the actual targets? Is this money going to end up being wasted?

Community Member 2: I actually thought that was a really good answer and I thought the statistics showing the huge cost and the small population and the problems of paying for that cost, I thought they were good answers and actually, they kind of sum up in a nutshell, what this research is about. We didn't know any of that stuff, if the company doesn't tell us those things, how are we supposed to know?

And if everything Steve had just said had been put on the website every month – or – as someone said earlier, like all the energy companies, like the bus companies, if they had an app where they could update it all the time and if half those stats were put on the app or put on the website, people would look at that and go, "Good grief, yeah, that is a challenge, isn't it? That is a problem, I wonder how they're going to resolve that." So I thought the answers really good but it just sums it up, there are those wonderful statistics explaining the challenges that Welsh Water face, but we're never told about them and it's like they're secret, you know?

Community Member 8: If I could build on that, I think that is a really good point. The thing is, Dŵr Cymru will have plans of what's lying ahead in investment, they know it's going to be £14bn which is huge, I think we need to be involved far more at an earlier stage, in terms of what that will mean for us as customers.

I mean one thing I saw government wise was that they're going to encourage water companies to use private investment, now given that Welsh Water is non-profit making, would that be an issue for them? But in any case, I think we need to have some expectations of how much extra we're going to have to be paying, to be able to fund this in the future. And then when it does come, we're not going to like it properly but it's not going to be so much of a surprise or a bolt out of the blue at the start of every year. It's about involving us far more in terms of what this investment means for us, certainly yes in terms of benefits but also in terms of cost because what he said was actually a frightening dilemma wasn't it? £14bn and only 1.4 million households.

TMcK Facilitator: How do they communicate that with you, Community Member 8, and how often do they communicate that with you?

Community Member 8: From my perspective and it's maybe I'm not prepared to wade through myriads of financial pages, I did that when I was working, I think it's really being sort of upfront and in every day words say, "And customer, this is what we're planning, these are the benefits but this is what it's going to cost or what the projected costs are and why." And maybe there is something where they can still get funding from elsewhere, albeit in the form of loans, and then that will be taken off the operating profits, leave the net profit, which maintains the non-profit making status. But I think we need to understand that more because I'm still not sure what the constraints are for Welsh Water, in terms of non-profit making, compared to the ones that are profit making.

Community Member 2: Can I just say very quickly because I think we're missing the point slightly, you asked them how can they communicate with us, what should they be doing? The fact is just communicating, they've never communicated anything like this, so by asking how should they do it, the answer to the question is they should start! That's the answer.

Community Member 8: But they'd probably say, "It's in the Annual Report", what I'm saying is you're right, we don't see it and we probably don't have the time or the knowledge to know where to look to find it.

TMcK Facilitator: Community Member 10, you've got your hand up?

Community Member 10: Can I go back to the actual question which was "sewage discharge, health risks and frustrating that these events appear routine rather than exceptional."? Now, in the summer, I take my children regularly down to the beach, into the sea and as a mum, I'm really concerned about what's being released into our rivers and seas. Ideally, I would like to be able to check on an app, when sewage has been released into the sea and river, in real time.

That's really important for me because I want to understand what is in the sea before my children go in it and I don't feel we can get that information readily, at the moment. I think Dŵr Cymru is one of the only organisations that doesn't have an effective app and I think an app would solve a lot of problems for customers, in terms of getting information quickly and efficiently.

So we all rely on our phones, we carry our phones everywhere with us these days, logging onto a website is not as easy, so an app would be ideal really. But for me, please can we address the sewage discharge, the health risks and the frustration that these are routine, we need to know when it's happening. Yes, we need to know why it's happening but for me, it's more important to know when it's happening, so we can avoid the beaches and the rivers during that time, and I know a lot of people have been really poorly after being in the seas last summer and you know, this is a real risk to people's health isn't it? So really important that we get real time information, I think.

TMcK Facilitator: Thank you, Community Member 1?

Community Member 1: Just jumping in one of the previous answers, they said having the, communicating on their website and stuff, in one of the responses we just received, one of the members said that the information was completely transparent but then he didn't say where it was or how to find it, which is kind of going back on itself by saying they're completely transparent but not giving us the information when we're here. And then we got it explained to us afterwards and it's like that thing, you've said it's completely transparent and then everyone here has now learned something, that's clearly not transparent.

TMcK Facilitator: What would you suggest they do then?

Community Member 1: Like I think Community Member 2 said, just start communicating, if people are getting paper bills, include it in the paper bill. If we're getting emails, including the PDF in the email, just start doing something because at the minute, it's nothing.

TMcK Facilitator: Thank you, Community Member 1. Does anyone else have anything to add?

Community Member 8: I think it really comes back to, the response I got was "Well it's there and it's up to you to find it." I think what we need is something pushed proactively out to us.

TMcK Facilitator: What would that look like?

Community Member 8: The app is a brilliant idea, most of us in some shape or form use apps and generally, they're navigated in a way that it makes it easy for you to get the information you need. That would be for me, the gold star. The other one would be the monthly reporting and at least then, there'd be summary points we could look at. But you know, to say it's in the Annual Report, that's a lot and sometimes quite depressing reading.

TMcK Facilitator: The app's been mentioned a few times now but not everyone uses apps, what else could they do or how else could they communicate this information with you?

Community Member 10: I do like the idea of an annual environmental sort of progress report to see what improvements have been made here and here. So if you're spending all this money on improvements, we need to see where we are now and by spending all this money, what's been improved. So for me, it would be really good to have, as somebody who's quite interested in what's happening in the environment, an annual environment progress update, which would include things like has discharge been reduced? Has water quality been improved?

Those sorts of things, so that we can see that our investment is making, the money we're paying in because ultimately, it's the customer that's going to pay for all of this, we want to know how the improvements are being made, what improvements are being made here and here. Is this money making a difference, and how it's making a difference. So it would be really good to have maybe, alongside the app, an environmental progress update maybe, I don't know, maybe every year, just so we feel our money's being invested in the right way.

TMcK Facilitator: This Annual Report, how are you receiving it? Do you find it on their website? Do they email you? How would you want to receive it?

Community Member 10: I think you include it, it just needs to be one or two pages, key points, probably one page would be sufficiently actually to say, "We spent X amount on this and the result of spending this was an improvement in water quality by X amount." "We reduced the amount of sewage being released into the environment by X amount this year due to X amount being spent." We just need to know that our money's being spent in the best possible ways, with the best possible outcomes for us as customers. I think this is really an

important subject that needs serious consideration and I don't mind paying a bit more for my bills, providing the money is spent in the right way, as I've said before.

TMcK Facilitator: Community Member 3, you've got your hand up.

Community Member 3: I'd like to know not just what they're doing because I think if you ask someone what they're doing, they will just paint you a beautiful picture of what they're doing. I'd like to know what's gone wrong, I've printed off this thing today because Community Member 10 did her homework for the last one and I was like, "Okay, I'm going to do it" and they say that "there was a sewerage spillage for 261 days, non-stop pollution into a Welsh river".

Now if that was on a website somewhere that this was happening every day, every day, every day, that's alarming and there's three and [inaudible] was the worst person to every day, sort of ... so I'd want to know how long has that sewage gone on for? Have they stopped it? Not just what they have done but what they haven't done, where are the sewerage spills and how have they tried to stop doing it? It's sort of like I guess the NHS have to do, how many people died this year? How many people could have been saved? And more that sort of thing, sorry, I'm not very good at articulating myself but yeah, sort of what they're not doing almost as well as what they're doing.

TMcK Facilitator: Community Member 3, just to follow-up, how would you want to receive that information or how would they communicate that with you?

Community Member 3: Well, sort of in a text, like when we go down to the sea and there's a load of brown in there, I want that on a text that, "Today, sewerage was spilt into the sea" or for that 261 days of sewerage pollution, every day, I want a red mark against that river, red mark, so that someone can see what is being polluted today, so that we're really aware of what's happening and then they would be more likely to stop it because we can see what's going on, not covering it up with, like my kid saying, "I had a banana today" when actually I know that she had a load of bad stuff, the good stuff doesn't .. yeah.

TMcK Facilitator: Does anyone else have anything to add before I share our actions?

Community Member 11: I think they don't seem to, you don't have a problem getting your bill, whether it's in an email or post or they're already going through a process to get that information to you. Why can't they just add in those additional bits of information? The finance report, the sewerage and just to go a little bit further than that, I would expect that there's a structure, where there's like certain areas are managed, so you could even go a little bit further and that information can be localised.

I think like the River Usk is probably the closest one that's been mentioned that's near me, I know loads of people swim in that, I actually swum in it myself and I'm learning loads of information today that is relevant. But that information, going a little bit further, could that not be localised and given to you as part of your bill? As like, I don't want to use this word but like a newsletter, if you like? "Here's your finances, here's your local sewerage information and here's the targets, this is what was achieved ...", you've got to really break it down. Obviously, we can't know everything about everything, you have to regionalise it, you could have a little section for, I'm kind of inventing this now but you could have like a national section, you could have a local section and just like really nail down those key things that we're talking about.

TMcK Facilitator: Okay, how often would you want to receive a newsletter like that?

Community Member 11: I don't know if it's the same for everyone but I'm sure my bill comes either three monthly or six monthly, potentially. Well, going with the bill, apart from

obviously the information, which I assume they store this information somewhere, so they've just to get the information they've probably already got, put it into a document and send it with your bill. That doesn't really sound like a huge operational effort.

We're not talking about marketing, we're not talking about television, magazines, we're not talking about spending loads of money, we're talking about information that you already have and giving it to the people that are literally funding this service. I don't really think it's too much to ask.

TMcK Facilitator: Thank you, Community Member 11. I've just got a comment here from one of the panellists who says, "They need an app, it's the quickest and most effective way for them to communicate and they could communicate with more customers via their app, than any other way. As an addition, they could update customers via letters and emails monthly, from everything that they've communicated through the app, just so everyone is up to date and aware of every update." Thank you very much for that. Is there any final comments before I share all the actions that my team has been typing up behind the scenes? Lovely, okay, I'm going to share my screen again now.

So Dŵr Cymru responded to your question to say what they're currently doing and they have said 4,000 staff are involved in fixing issues, they have a website that has a detailed map of incidents happening in the operational region and any overflows and alerts sent when overflows occur. They're also investing heavily but need to go street by street to disconnect rainwater from the sewer systems and build storage tanks.

What they say they will do in the future includes £4bn investment programme over the next five years, they're building green infrastructure to collect rainwater and they're re-engineering the entire sewer network which would cost £14bn, which needs to be balanced against what 1.4 million households can afford.

You spoke and you came up with some ideal actions or an ideal response that Dŵr Cymru could add to their action plan. This includes clarity of company targets for investment, better communication so update website with statistics or create an app where these updates and targets are readily available, and customers to be updated by email or letters up to monthly as well, to ensure all customers are aware of updates.

You also wish to be involved more and at an earlier stage and set clear expectations of how much money these investments are going to cost, you as customers, you want to be shown projected costs, explain reasoning behind this investment and use easy to understand language. You wish for them to create an app for real time monitoring of sewage discharge into rivers and seas which pinpoints specific locations and it also explains the health risk associated with specific sewage discharges.

You also wish for them to include information in paper bills or include PDF in emails about sewage discharges in your local area. You also wish for them to create an annual environmental progress report alongside the app and this would ideally be one page long, include discharge figures, water quality figures and clearly highlight any improvement made throughout the year.

You also wish for them to communicate failures as well as achievements and this ideally via an app, so for example, sewage related health incidents and alerts via text message. And finally, to send newsletters on company investments and it was mentioned with bills, so every three to six months.

I'm going to open back up the room again to see if my team have missed anything or if you want to expand on anything, or if you want to include any timelines in which you think Dŵr Cymru should be able to action these actions by. Whoever wants to pop in first? Has

everything been added to the action plan? Is everyone happy with the action plans? Is that a good silence that everything's been added?

Community Member 10: The only thing I don't think we've addressed and I'm sorry if I missed it when I just had to pop out, did we talk about leaks?

TMcK Facilitator: Leaks weren't specifically in the question, would you like us to ...?

Community Member 10: Okay, it doesn't matter then, I just think we've had a lot of leaks in our area recently and I'm just concerned they haven't, I think it needs to be raised somewhere, that long term leaks seem to be a growing issue and I understand the infrastructure is getting older, but I think for us, we've got a lot of water's been wasted via these leaks and ultimately, the customer is paying because that water's being wasted. So really, it would be really good to have some indication of where there's been leaks, how quickly they've been fixed.

TMcK Facilitator: This can definitely be brought up at the next Accountability Session, I think it's just out of the scope for this question.

Community Member 10: That's fine, I think it's an important thing to raise here, as we've got these people from Welsh Water here, I think it would be great for them to know that leaks in the area is a big problem and we're probably wasting a lot of money on that.

TMcK Facilitator: Thank you. Any final comments before I pass back to Rhodri? Okay, over to you, Rhodri.

CCW Chair: Okay, and I go straight back to Roch and Steve, if I may, we're slightly over time so we need to step on it, so I'll do my part in that. Roch?

Roch Cheroux: Thank you, Rhodri. Look, I just wanted to come back to what I said at the beginning, the information is actually already online so you can see real time information about all the overflows that we've got on our network, and this is updated every 15 minutes, so this is really real time information. But I understand the request for more information and more direct to you. We actually did, in the last bill, sorry, the communication with the bill last year, we included all of that information because we really wanted our customers to understand what we would doing and where the bill increase was going. But I realise, listening to the panel tonight, that we need probably to communicate more often about it.

Rhodri: Thank you, Roch. Steve, do you want to come in?

Steve Wilson: If I can briefly, so as well as on our website, the kind of 15-minute updates on spills that Roch mentioned, we actually share all our data with Surfers Against Sewage as well, so if you have their app, all of our data is transparent on their app as well.

The other bit that I was struck with that Community Member 3 mentioned about discharges lasting a long time and the kind of impact, the harm piece, one of the things we are doing at the moment is assessing water quality up and downstream of all of these storm overflows, because we're counting the number of discharges, one of my pipes might be this size in West Wales and we're counting that the same as an enormous pipe in London that you can drive a car down.

We're not talking about volume, we need to look at impact, so we're doing a study up and downstream of all these overflows and when we understand which ones are causing the most environmental harm, they're the ones we're going to prioritise first and that's an area where we can put more data out to customers, to show that transparency and show where storm overflows are causing impact, they're the ones that we need to prioritise first.

So we might have some which are spilling a lot but they might be very, very small, there might be some others which aren't spilling as much but actually, their impact on the river or the beach is much greater, and it's all about getting the water quality as good as it possibly can.

CCW Chair: Thank you, both. Samantha?

TMcK Facilitator: Perfect, so we'll be moving onto the third question now.

CCW Chair: Okay, we are ready to go and this time, it's Community Member 8.

TMcK Facilitator: Sorry, just before you do it, I just need to invite Alun to the meeting. I'll just put Kit and Steve back into the other room.

CCW Chair: Alun, Community Member 8 is going to ask our next question, please.

Community Member 8: Thanks, Rhodri. When it comes to financial transparency and environmental performance, customers repeatedly describe Dŵr Cymru as "quiet and reactive", only communicating when something has gone wrong. We feel, as consumers, we're unable to engage with you and have our voices heard. What we'd like to know is what are you going to do moving forward that means that we as customers receive proactive communication on issues that matter to us?

CCW Chair: Okay, thank you, Community Member 8. Roch, Alun, over to you.

Roch Cheroux: Thank you for the question, John. Look, it's an interesting feedback, I've been in the job for 10 weeks now so I'm still discovering the environment. I don't want us to be "quiet and reactive", I want us to be communicating regularly with our customers. We have a presence on social media, we have a presence in a number of traditional medias, we communicate with our customers, you know, in a number of different places, we're doing marketplace, we're having presence, explaining the projects, when we've got projects. So we are communicating proactively but from your comments, I understand this is not sufficient. So I'm probably going to hand over to Alun, who's got a lot more history than me.

Alun Shurmer: Thanks, Roch and just wanted to say thank you to everybody for the time you've given up this evening, but also for the feedback. There's been a recurring theme throughout this session around communication, communication, communication. I'll say that I've listened to that, both in – I won't lie, it's been difficult in parts but it's also been music to my ears in parts, I've actually looked after communication for the company for many, many years.

A lot of the challenges that you have reflected are actually a lot of the challenges that we're trying to work through on a day in, day out basis. You heard a couple of times already today from Steve and Roch and others, we have three million customers and not everybody listens or receives the information in exactly the same way, and the way we've covered this evening, there's three different elements here, I'll talk very quickly, one is how can customers influence our strategy as a company? What do we do? There's one about being kept informed on incidents and issues that we're dealing with, and then there's the ongoing engagement with customers around exactly the day to day, what's happening, what's actually going on out there?

When we look at those four different elements that we've touched on, there are different ways that work in different ways for different people. I won't lie, none of that is cheap when you're trying to communicate with three million customers, somebody mentioned earlier on about a letter to be sent every three or four months, a newsletter to every customer. That would cost us £1m per letter, just to send out second class to every customer. You start

multiplying that three four times a year, that cost is significant and we have to have the right balance as well between investing in that sort of content with to make sure our assets are getting the money that they deserve, so the challenge for us is how do we get that right balance between those different things?

Very quickly on strategy, since Roch came in at the start of the year, he's given us the challenge of developing a new company strategy over the course of this year, and he wants that to be led by customers' views. So we have this session today which CCW have arranged, in a few weeks' time, we've got five more sessions with 60 customers all over different parts of Wales, sitting down with them for four, four and a half hours actually, to hear their views, to hear their concerns, to see what their priorities are, to hear how we should trade-off between some of these challenges that we've only touched on very briefly in the five minutes we've had to respond to each question, but we want more time to discuss that so that we can actually work through what those trade-offs, what those balances are.

So yes, that's an expanded workshop and customer panels not dissimilar to this but then over the summer, we want to take that on the road to people's communities and through social media, to encourage others to give us those views and to actually drive that in a very different and open way.

Now one thing I can say is that despite all of the effort that we will to put into actually promoting that over the course of the next few months, I'll guarantee you that the people on this call, if you have this in six months' time, will have missed it all and that's through no fault of your own but there's science out there that says you have to see things seven times to remember it. So that letter that I mentioned that costs £1m to send, well I'd have to send seven letters out for people to actually remember to not just open it and read it, but actually for the information to sink in. So if we've got to do that across all our different communication, then we have to be far more sophisticated in how we do it.

When we've done incidents and we've had incidents to deal with, we've had a better reaction in terms of how we communicate to customers, that's the information that customers want there and then, they're going to look for it but they're also, it's pertinent to them in their day to day lives, it's usually as a far more confined area geographically, you're talking tens of thousands of customers rather than millions of customers. So we've learned a lot of lessons from that over the years, there's still more to be done there.

On the ongoing activity, we mentioned things like apps and how we share information with others, we're already getting information out into the communities, we can find other opportunities of that sort, like the Surfers Against Sewage as Steve mentioned earlier, but we have to know and we have to find where those channels are that people are using, those other opportunities, the networks that general customers are using.

But also what we focused on, even with the investment programme that we've had over the past few years, is we will communicate directly with the company, with the communities and customers that have been affected by that work, either from the benefit they received from it or from the disruption that they're going to get, we're explaining to them why they're going to be disrupted and how the benefits they're going to get. What we've not done particularly well is explain the story to the wider community, to the region, to explain what are the changes that are coming ahead and how we do them. That requires a very different communications approach and again, that is what Roch has challenged us to do as a company and the things that my team are working on at the moment.

But as was said right at the start of this section, that challenge is one that me and my team feel every day because it frustrates me, I have to be honest, sitting here and hearing things and I can say, "We've done that, we've tried that, we've done that, we've done that", but then I could say that because I've been here for some time as well, and I can't let my own

institutionalised thinking bias what we're going to do in the future, and that's why we have to get out to work with customers, to understand them and that's what we're intending to do over the summer.

But if I could and I know I'm over time so apologies, Rhodri, if I could ask this group though, what would be massively beneficial for us is actually to hear from you about what are the best channels in how that information comes through to you because we can't do every channel for everybody all of the time, and we have to use the best ones that are available to us and the increasing number of social channels, the different levels of communication, different types of content you need for that.

I think we'd have quite a bit of criticism if I had a team of thousands actually working on the communications rather than fixing the pipes, so it's the right balance in then how we do it, the message that I've heard has been said loud and clear tonight and I'll be quite frank, in parts, it hasn't been a surprise to me either and that's why I say in parts, it's been music to be my ears.

But overall, I think this is something that we know that we've got to get right, the answer is complex though when you have the number of customers and the balance that we need to find, between what channels, how much, what information that's relevant to whom. But as you mentioned earlier on, as many people mentioned earlier on, technology does help us in that sense but we can't depend on that alone because many people don't have access to that technology.

CCW Chair: Samantha, back to you this time.

TMcK Facilitator: Thank you, and thank you for your response, Alun and Roch. Okay, over to you now, I want you to think about the response you just heard and what sort of actions you want them to take. We got asked a question there about what's the best communication channel, one that would work for more people, maybe not your preferred one but one you'd be able to access and still use, and what does communication look like? What sort of social channels could they use and what type of contact should they be making?

I'll start with Community Member 8, who asked the question, was it answered? Is there anything you still need to hear or any actions you want off the back of your question?

Community Member 8: From my perspective, I found it quite a refreshing response, a realisation that it needs to be done differently, an acceptance that there needs to be more and what the key thing that came through for me was, that they need to understand their customers better because they could put all sorts of solutions into place that actually wouldn't be the most effective ones.

In terms of the channels we do use, it has to be initially what's most cost-effective, so the cheapest that will reach most customers, otherwise we're shooting ourselves in the foot because we said we don't want our bills increased. If we went for the Rolls Royce system that's everybody getting a letter through the door, which actually may not suit everybody, that would be prohibitively expensive. So I guess for me, it would be around what's best for the mass first or most, well a lot of people have mobile phones so I think the app is really important. Putting it on the website and then perhaps reporting it in a summary on bills, so it's not a separate letter, for those people who still get hard copy bills, it could come through on that. But the essence has to be, it's got to be signposted and in a language that we understand.

TMcK Facilitator: Community Member 8, I just want to touch on something you said at the beginning there, how do they understand you better, I mean how do they understand you better? What can they do?

Community Member 8: I think the engagement sessions they're talking about, it's important that they get a representative cross section of customers, otherwise it'll be targeted perhaps for people who are techy minded, or people that aren't. But if they make assumptions about what they can do to improve things, the chances are it's not going to work, they really have to dig deeper to understand what we as customers would find effective. I mean the fact that we've all mentioned what we've had today around the lack of communication, I don't doubt that they have got it out there somewhere but it's not somewhere we can easily or we're prepared to go looking for it.

TMcK Facilitator: Thank you, Community Member 8. Does anyone else have any comment?

Community Member 4: Yeah, the gentleman's answer was fantastic, it was the first one I could understand out of all the responses, he explained the cost and difficulties. All of it though or a lot of it could be sorted by an app, so easy, no cost virtually, all online, straightforward, you know? He was pretty good at answering, fair play. He explained it all really clearly, for me anyway.

TMcK Facilitator: Community Member 7, you popped a comment in the chat there, do you want to expand on that?

Community Member 7: Yeah, so I said an application similar to the Octopus application would be ideal, I've used Octopus for a year now but obviously, it's in the gas and electric realm but it's very similar to the utilities, so they give updates on why they have price rises, they have initiatives, they have reports on the app, so if they publish their profits reports and things, it comes up on the home screen.

A lot of these things you do naturally, the majority of people that use it do engage with it quite regularly, whether that be to pay a bill or check the usage and things like that, so it's a good touchpoint for customers. And then tailoring that information, something similar to what Community Member 11 said earlier, about making it personalised, obviously everyone that signs up to the app will have their address on their as their account, so you could essentially break Wales down into sections or quadrants and tell them the most relative or valuable information to them, whether that be sewerage issues that maybe around, you could have that built into the app, whether that be initiatives that have been carried out in your area or any significant works that you know, "This is one of the things we've done, this is how much we spent on it and this is what it will do for the area."

I just think, I personally don't, I know some people here are from North Wales but I don't particularly care about what's happening in North Wales, I just want to know what's happening very local to me or at least, things that really impact me. So I think that level of tailoring information to the customer specifically would be beneficial, to keep me engaged.

TMcK Facilitator: Thank you, Community Member 7. Does anyone else have anything they want to add or anything they want to see Dŵr Cymru or any actions they should take, to help with communication and engagement?

Community Member 9: I'd just like to say, one of the gentlemen said there was a presence, they do have a presence on social media but me personally, I spend quite a lot of time on social media, guilty, I've never seen anything from Welsh Water on social media, the only things I've seen on social media have been negative reports from action groups, I would say in the last year, the social media presence is extremely negative and the Surfers Against Sewage, which post a lot, but just from a customer point of view, I've never seen anything on any social media from Welsh Water. Maybe I'm not looking in the right places or following the right things but I think when we were talking about updating us in real time, social media is a really useful tool and most of us have a quick check of Facebook every day or

whatever, see what's going on, I'm not sure if the sewage spills are communicated in that way but that would also, for me personally, would work, just to give that perspective.

TMcK Facilitator: Does anyone have anything else to add before I share the actions that the team have been typing up?

Community Member 11: Yeah, just two quick points. I think a lot of this information is also seasonal so like pollution in local seas and rivers, if people are spending time on beaches and things, then that's going to be more of a summer concern for a lot of people.

The million pound a letter thing, I don't really think, that's kind of going backwards with things because everyone is going paperless, I don't think anyone was really suggesting sending X amount of million letters out, I think these things, most people are paperless, a lot of this is going to go out on email, I don't really understand where that million is being spent on a sheet, an extra page of an email they're already sending or an extra page in, because there will be an element of people that are on snail mail letters and things like that, those are already going out, apart from the printing and stuff like that, I would like to challenge the sort of cost there.

You've got different issues in different areas, so there's no point in telling people in the middle of Wales, highlighting to them what's happening, well actually it was just mentioned, I don't want to know North Wales's information, it's important to North Wales and it's important to the generally people but there needs to be a local information and it needs to be with you in the right manner, at the right time. That's all I wanted to add.

TMcK Facilitator: How do you receive that information? What's your ideal channel for that?

Community Member 11: I didn't even, because I've just moved house, I wasn't really sure how I was meant to be getting my bills and I was doing some ID checks where you've got to get your utility bills and I actually had to go onto the website, sign up for an account and I had to go to a whole issue just to get that information. So now I'm on there, I can get the information from the website but I'm not going to go on the website, it needs to be sent to me in a readable, manageable, summarised amount of information. It needs to proactively come to me, it's not something that is going to be in a report, in some storm overflow link, as soon as I someone has to go searching for information, it's no wonder the information is not communicated very well. I spent some time searching through some of the documents that have been mentioned and it isn't that easy to find, like throughout the three questions, it isn't that easy to find the information.

They make it sound like all this information is all out there and it's available, okay, so there's a 40-page document that the information is somewhere in there, you know, I'd have to have a serious reason to go searching and reading and investing a lot of time into finding that information out.

So it's buried in there for a reason and it needs to be taken out of there and put into a summarised, and given to people in the exact way they're getting the information now because people are paying their bills, well some people are and they get no information, they're paying their direct debit, they know how much they're paying, they are reading this stuff so I think they need to give the consumer a little bit more credit on that side of things because if you give the information in the correct way, in the correct format, people will read it. It's just the problem is up to this point, it's not been in that format.

TMcK Facilitator: Thank you, Community Member 11, I'm conscious of time so I'm just going to share the actions that the team have been typing up and go through them, and you can add anything that's been missed or anything you would want to add a timescale to.

So we asked them what they're doing with communication and engagement, so proactive communication, both on social media and traditional media, so marketplaces, they're informing customers about their day-to-day operations. The challenge to reach 3 million customers, communication is costly, so it's a challenge that it costs up to £3m to communicate, a newsletter, for example would cost £1m and research shows people need to see information about seven times before registering it. The company has been better at communicating during specific incidents affecting smaller geographical areas.

What they're looking to do in the future, they're going to be holding five more customer led sessions with 60 customers in upcoming weeks, they're looking into new social channels to communicate with customers and they're trying to directly communicate with customers affected by operational works.

We asked you what actions they should be taking, what an ideal response would look like and the actions that were presented this evening include use more cost-effective communication channels to communicate stats and news with customers, app is ideal, gold standard but a website as well, including a summary with physical bills in plain English. Ensure they have a representative cross section of customers for their customer led sessions.

Create a company app which would detail local works, profit reports etc and allow information to be tailored to customers' local areas. You also want this to be real time updates as mentioned in the previous question as well, in relation to sewerage and information all in plain English as well. You'd also like them to better utilise social media for updates and finally, information needs to be sent to customers proactively, rather than customers needing to search for information and that information presented in a concise summary, in plain English.

Does anyone have anything else they want to add to this? Any additional actions or timescales or anything like that?

Community Member 10: Can I just come in and say we did, in one of our previous, when we've had discussions previously, said it would be really good to have a "You Said, We Did" tracker, so we could go and see what action has been taken from the comments that customers are making. So for me, showing action is really important, showing that you've taken our points on board and how, what you've done to answer that. So I think if we could have some sort of "You Said, We Did" tracker, where it was published, either on an app or the website to say, "X number of customers have raised this, this is what we've done in response" or "This issue's been raised many times with us over the last six months, this is what we did in response." I think that would be really good, to show that you're actually listening to the customers.

TMCK Facilitator: Thank you, anyone else have any final comments for this one before I pass back to Rhodri? Okay, Rhodri, over to you again.

CCW Chair: Thank you, Samantha, thank you all. We are now over time so briefly, can I thank everyone for all contributions and just to say, we will publish a transcript within five working days on the 17th March, and a plain English summary within 10 working days.

I must say, I appreciate the point that both Roch and Alun made about having very little time to respond to some quite difficult questions and challenges but of course, there will be an opportunity for the company to respond to the, you've seen the forms that have been filled in as we go along, and we expect to hear back from the company within 28 days, so that takes us to the 17th April, when our panel will be asked whether what they hear back from you, accurately reflects what they've heard tonight and we at CCW will be monitoring progress and reporting on delivery.

The process is designed to ensure transparency and follow-through, it's not just a discussion, we want to see some outcomes here and I'm pretty confident, having heard from panel members and from company representatives, that we will actually get some action here, not just words.

So can I thank you all sincerely for your time, your thoughts, your honesty that you've brought to this session, your input is what gives this process credibility and purpose, and thank you to all representatives from Dŵr Cymru for being willing to listen and to respond within the confines of the limited time we have, that's much appreciated and we look forward to continuing this useful dialogue with you in the future. So thank you all very much and goodnight.

[CLOSE]

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Llais defnyddwyr dŵr

23 Stephenson Street,
Birmingham, B2 4BH

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