

Board Assurance Statement

Scheme of Charges 2023/24

The Board has considered the Scheme of Charges 2023/24 at the Board meetings held on 8 September, 3 November and 1 December 2022. The Board considered the charges and relevant supporting materials and made appropriate enquiries of the Executive Team, in particular the Strategy and Regulation Director. The Board also considered a report from Jacobs, who had been engaged to provide external assurance that the systems and processes used to produce the information published about the wholesale charges are robust and to review the process for ensuring compliance with legal obligations.

Having made reasonable and relevant enquiries as detailed above, we are able to confirm that, to the best of our understanding, the charges contained in Dŵr Cymru's Scheme of Charges 2023/24 comply with the legal obligations to which the company is subject under the Water Industry Act 1991 (as modified) and other relevant legislation, taken as a whole.

The document and the required additional information have been prepared by experienced staff using appropriate processes and internal systems of control and have accordingly been prepared to a standard that could be reasonably expected of a diligent undertaker.

Having regard to the 'Charges scheme rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991' last published in October 2021, we are of the opinion that our charges are consistent with these requirements, taking the Charges Scheme rules as a whole.

The Board has been given relevant information on the effects the new charges have on customer bills for a range of customer types.

The November CPI(H) figure of 9.3% placed a particular upward pressure on bills for 2023/24.

As a result, the charges for 2023/24 will cause bills to increase as follows for the respective customer types:

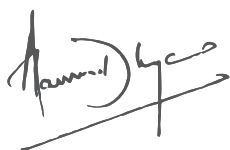
- unmetered dual service customers: 9.4%,
- metered dual service households: 8.0%,
- metered non-households: 9.7%,
- unmetered non-households: 10.3%,
- large user industrial tariffs: 9.6-9.7%,
- wastewater only with a "foul only" connection: 12.1%.

The Board is satisfied that appropriate communication and handling strategies are in place for these customers, as detailed in the statement of significant changes.

In particular, the Board has approved the introduction of a new scheme to provide temporary bill relief to household customers in short-term financial difficulties, in addition to our social tariffs.

The company has consulted with the Consumer Council for Water in a timely and effective manner in respect of the charges scheme, as detailed below.

At the Board meeting of 1 December 2022, the Board delegated responsibility to the Chair for final approval of the Scheme of Charges 2023/24 (and the required additional information), following publication of the Consumer Prices Index including owner occupiers' housing costs (CPIH) on 14th December 2022.



Alastair Lyons
Chair

On behalf of the Board
19th December 2022