

Dŵr Cymru Welsh Water

‘Your Water Your Say’ Written Record

6th April 2023 - Online Event

This document provides a written record of the questions asked in Dŵr Cymru Welsh Water’s first ‘Your Way, Your Say’ session which took place on the 6th of April 2023.

In this session Chief Executive Officer Peter Perry presented a 15 minute summary of the Business Plan for PR24 (2025-30). This presentation has been uploaded to our website alongside this document.

The presentation was then followed by a 90 minute session allowing attendees to ask questions about key features of the Business Plan as well as local priorities or service issues.

The session was attended by 71 participants, including the company’s five panel representatives:

Peter Perry – Chief Executive Officer

Steve Wilson – Managing Director of Wastewater, Business Customers & Energy #

Samantha James – Managing Director of Household Customer Services

Mike Davis – Chief Financial Officer

Eleri Rees – Director of Strategy & Regulation

The session was chaired by Kevin Johnson, an independent representative appointed by the Consumer Council for Water and Ofwat.

This document has been approved by the Independent Chair, CCW, Ofwat as a true representation of the meeting.

Questions were categorised into four themes:

1. Environment and wastewater
2. Affordability
3. Water supply and tap water quality
4. Customer services

Questions covered a wide variety of topics as outlined below:

- Drought resilience
- Water transfers
- River water quality & pollution
- Infrastructure & Combined Storm Overflows
- Brexit and water quality
- Fish stocks

- Executive pay
- Average bill amount compared to other companies
- Local issues relating to Hailey Park development
- Affordability in the long term
- Financial support for vulnerable customers
- Carbon reduction
- Leakage and consumption reduction targets
- Welsh language services

Section 1 below is a list of the questions asked during the meeting in each category. Each question is hyperlinked to the full question and answer in section 2. The answers provided are a transcript of what was said in the meeting.

Section 1: Questions received

Environment

- What is Welsh Water going to do about replenishing the fish stocks in the reservoirs and rivers within Wales?
- Welsh Water was privatised in 1989. Why, after 34 years of operation, are Welsh water still in a position where infrastructure is being blamed for the dumping of sewage into waterways? If this sewage dumping is still being blamed on infrastructure after 30-40 years, when can we expect that the right infrastructure will be in place to end the pollution?
- The rules that you have to follow and you know the rules from the EU from UK government... Is there no room that you can take an initiative and decide that yes, we have to do something about the level of Phosphates draining into our waters? The infrastructure has been around forever and it's still a problem and I'm not quite satisfied about that because it's been an issue for such a long time.
- What are your plans to reduce phosphates? How are you going to go about that? We have massive issues on the Teifi where the CSOs are spilling even when it hasn't been a high level rainfall. It was my understanding that the CSOS were only supposed to trigger at high level rainfall so why are they spilling even in dry spells?
- Welsh Water's business is about supplying high quality water. But I don't think you're defending the quality of that water well enough. Do you have a department that lobbies government on behalf of the rivers to get them to bring in more regulations? What I can see of being in the Herefordshire Council for the last four years, the Environment Agency really aren't stepping up to the plate in terms of making enforcement of regulations. So I'd like to see Welsh water and other water companies lobbying government to actually bring in higher regulations so that they can try and sort that out.
I'd be interested to know how much money you've made since privatisation and has all that been invested in trying to sort this out because it feels to me that you're now taking it on board with the pressures that are being put on you by the population 20 years after. Why haven't you sorted it out 20 years ago?
- What do you have to say to the children of Llandaff North that regularly have to litter pick the banks of the Taff along Hailey Park, who have to remove sanitary towels and wet wipes? It's all very well you removing it and expecting volunteers to remove it, but you keep putting it there.
- The scheme in Hailey Park is not fit for purpose. We've requested a judicial review and I believe a couple of community groups are working with you and prepared to speak. It's not

right for our park to build on a green flag park and it doesn't mitigate any of the raw sewage discharge that on our side of the river was discharging 710 hours of raw discharge using your own 2021 figures.

- What is Welsh Water's views on one planet development policy in Wales that integrates rainwater harvesting and domestic reed bed systems as these systems could mitigate storm overflows and reduce phosphate pollution into the river?

Affordability

- How can we get the balance between affordability and what we have to spend on the environment and climate so that we're not creating problems for ourselves going forward – how can we get that balance?
- How much financial support in total in pounds do Welsh Water proposed to make available to customers struggling to afford their bills in 2025 to 2030 and how much or what percentage of financial support could be funded from shareholder profits and also in the context of the current Cost of living crisis and the possibility of bills going up.
- Our water bills are £50 more than the average of other water companies. And how does that fit with Welsh water's affordability ambitions?
- Welsh Water released sewage into rivers, lakes and sea around Wales for almost 600,000 hours in 2022, the equivalent of non-stop releasing for 68 years. There were 83,000 instances in 2022, 77,000 of which were classed as significant. These releases should only happen when there has been heavy rain. In 2022, Wales experienced the driest January to August period since 1976, so best part of 50 years. This has a huge impact on the people and environment in Wales that continuing risk is significant. Despite this Peter Perry, who we've seen today, received £232,000 in bonus. I would expect any bonus scheme to have a risk management element and I would not expect it to have been met given the pollution performance of Welsh Water in 2022. As the bonus scheme did pay out in these hugely controversial and emotive circumstances, from a customer trust and confidence perspective and given Welsh water's environment and wastewater ambitions in the short and long term business plans are there imminent plans to review the bonus criteria?

Water supply and quality

- I've read that the transfer price of water that extracted from Wales and then pumped into England (and the plans to increase that even further). Is Wales getting a fair price for that? Because if it's not, then something should be done to increase that price to reduce the burden on Welsh consumers and to enable Welsh Water to deliver its plans and perhaps even to accelerate the delivery of the plan.
- A Customer has sent a question and she had a number of drinking water quality issues, which she's raised with the company on a number of occasions. The main question is how can people with concerns about their water quality get these worries addressed? Will the new business plan have any systems or guarantees in place for those of us with drinking water quality concerns?
 - linked question, how any deterioration in drinking water quality is monitored and how are residents informed? Is it a case of not knowing until people become sick, like previous cryptosporidium outbreaks in North Wales?
- What is Welsh water doing to bring over and above resilience to the risk of drought?
- What is Welsh water doing to reduce its own environmental footprint. And are there any plans to use water to produce electricity?

- Last summer was a very dry summer and it's also been raised that Wales, we have one of the biggest coastlines. Will there be anything included using desalination?
I know other countries, for example Saudi Middle East, which have less rainfall, they have that already in place. Is it something that we could maybe consider if we do start getting less rainfall, you know make use of our coastlines?
- How can the company ask customers to save water when it's you losing a quarter of the water it takes from the environment through leakage?

Customer Service

- How do you see customer or consumer vulnerability in your area changing over the next 5 to 15 years and what impact has that had on your business plan proposals and longer-term strategy?
- How does the company support the Welsh language?
- Does Welsh Water run any focus groups for customers to become involved in and if, if they do, how can we join?
- How does your public purpose influence your business plan proposals in terms of where you go above and beyond the core water business services, how are you planning on supporting citizens rather than just customers during the next price control period?
- Summary question from the Chair: There's too much focus on corporate players and developers and not enough on communities and on customers, both in terms of their water supply and quality and in and the environmental impacts around where they live.
- How are Welsh Water going to focus on business customers and help small businesses, especially help save water and money.

Questions submitted but not answered in the session or received as follow up to the session

- What is Welsh Water doing to manage property companies to manage sewerage and improve our rivers?
- Increasing numbers of people are swimming in open water and participating in water-based recreation. Some companies are publishing where they are discharging sewage into rivers and seas but it is hard to interpret what this data means i.e. is the water safe to swim in? Other companies are training staff and communities about water safety. How have you helped promote water safety for your consumers and employees and how do you propose to do this in your 2025-30 business plan so we can safely swim and play in our rivers and seas?
- Climate change is resulting in increased extreme weather events including drought, heatwaves, increased water supply interruptions. How will you proactively help your domestic customers and small high water dependent businesses to prepare to be more resilient to these changes so their negative impacts are lessened or prevented?
- What is Welsh Water doing to bring income from being better at storing water to sell outside Wales and the UK?
- How far are you thinking about engaging younger people/future generations in your business plans and long-term thinking?
- Have you or will you be engaging with stakeholders in your region to develop a consumer vulnerability strategy outlining how you will deliver inclusive accessible services and protect customers and communities for 2025-30? When will this be published and how will it be updated?

- Can you provide examples of where you have genuinely co-created solutions with your local communities, customers and wider stakeholders to improve service design and support the environment?
- I have just been reading about the NRW plans to reintroduce freshwater pearl mussels into some Welsh rivers; Is Welsh Water supporting this scheme and if not why ?
- Please can my question (asked during the event) on the appropriateness and need to review the exec bonus scheme be put to your Reward committee and whoever sets the criteria and a response provided?

Original question asked during the session - Welsh Water released sewage into rivers, lakes and the sea around Wales for almost 600,000 hours in 2022, the equivalent of non-stop releasing for 68 years. There were 83,000 instances in 2022 - 77,000 of which were classed as "significant". These releases should only happen when there has been heavy rain. In 2022, Wales experienced the driest January to August since 1976 so best part of 50 years. (Source: Peter Gillibrand, BBC News). This has a huge impact on the people and environment in Wales. The continuing risk is significant. Despite this, Peter Perry, Welsh Water's CEO received £232,000 in bonus. I would expect any bonus scheme to have a risk management element and I would not expect it to have been met given the pollution performance of Welsh Water in 2022. As the bonus scheme did pay out in these hugely controversial and emotive circumstances, from a customer trust and confidence perspective and given Welsh Water's environment and wastewater ambitions in the short and long-term business plans, are there imminent plans to review the bonus criteria?

- I live in North Cardiff and Welsh Water want to build a sewage pumping station in our award-winning community park. This would ruin our park and we want Welsh Water to leave it alone by following one of the alternative solutions that exist. We feel that Welsh Water is favouring big corporate players in new housing developments over our well-established community. How does this fit with your Customers and Society Ambitions which seek to maintain the trust and confidence of your customers?
- In the session held yesterday morning, the CEO of Welsh Water stated that water abstracted from the Elan Valley and used to supply Birmingham was subject to an Act of Parliament with a lifetime of 100 years. Would you kindly signpost me to this Act and any other similar acts which relate to the abstraction of water from Wales for subsequent use in England?

Section 2: Questions and Answers

Environment

- **What is Welsh Water going to do about replenishing the fish stocks in the reservoirs and rivers within Wales?**

Response given by: Peter Perry - CEO

Although this isn't something we have direct responsibility for, we as an organisation impact the environment in Wales and so we take this seriously. We have a number of our reservoirs open for fishing and we breed fish stocks which go into our reservoirs across Wales. We work closely with NRW and if we ever cause environmental harm we pay for restocking.

- **Welsh Water was privatised in 1989. Why, after 34 years of operation, are Welsh water still in a position where infrastructure is being blamed for the dumping of sewage into waterways? If this sewage dumping is still being blamed on infrastructure after 34 years, when can we expect that the right infrastructure will be in place to end the pollution?**

Response given by: Peter Perry - CEO

Each cycle of investments into privatisation has been dictated by priorities. If you go back to the early 1990s and up until just before 2000, about 50% of sewage in Wales actually had no treatment at all and it went into coastal waters. There was a predominance of upgrading those wastewater treatment works initially. We also had, right through privatisation and continues to this day, a focus on compliance with European standards, both for drinking water for things like dam safety and for things like the environment. So essentially what happens is those five year investment cycles are directed by government, they are agreed with regulators and we undertake that investment. So, in reality what we've done over the period is done exactly what's been required of us. Many of these are legal requirements, we have no way that we can't do those and it's obviously the right thing to do so that's what's happened. This isn't the case of us not investing, far from it, and under the Glas model, I've already said we've put over £400 million on top of our regulatory allowances back into investment, but each five year cycle has had a priority and we've always complied with those priorities.

Investment for the long term, if we are to remove storm overflows, this is a massive task and this will take decades to achieve mainly because all our rainwater from our roofs, from our footpaths, from where we have drives, these discharge ultimately into a combined sewer system in Wales, it would mean unravelling every one of those connections and effectively building a separate drainage system. This is something that we've had our eye on from privatisation. Our investment has been effectively dictated where we've had to make it and we've always done that. Where we have evidence of things like storm overflows, we've carried out extensive pollution modelling which has been independently verified on the rivers Usk and Wye, storm overflows contribute around 2% of pollution ¹on those rivers a relatively low amount and 2% is too much, but if you contrast that with phosphates, for example, for us it's around 25%² in terms of our pollution load on those rivers and other

¹ Report available here <https://corporate.dwrcymru.com/en/community/environment/river-water-quality/sac-rivers>

² Report available here <https://corporate.dwrcymru.com/en/community/environment/river-water-quality/sac-rivers>

rivers in Wales, that's what we need to tackle. The other elements are clearly as a result of Land Management and other sectors, but the storm overflow removal would be a massive undertaking over many years, but we've never ducked that. We've always delivered the capital improvement that we've been required by government and by our regulators.

- **The rules that you have to follow and you know the rules from the EU from UK government, is there no room that you can take an initiative and decide that yes, we have to do something about the level of Phosphates draining into our waters? The infrastructure has been around forever and it's still a problem and I'm not quite satisfied about that because it's been an issue for such a long time.**

Response given by: Peter Perry - CEO

We are all for the European regulations and doing the right things. On phosphate in particular, we are doing more than any other sector in Wales to bring forward investment. We are bringing forward an extra £140 million of investment to tackle phosphates and what we will do on the Special Area of Conservation Rivers in Wales is we will have eliminated 90% of our phosphate loading by 2030 and by 2035 we will have removed 100%. So we recognise that what would have fallen into future investment periods so we're actually bringing that forward and on the river Usk and the river Wye. We're investing over £70 million on the Wye we've added now an additional £20 million and all major inputs of phosphate from Welsh Water assets on the Wye will be dealt with by 2026. I think we are doing more, we are listening to what customers and environmentalists are saying. We're not waiting for that next period, we are bringing serious amounts of investment forward to tackle those issues.

We've got to have our eye on what's affordable like any responsible business. This business plan that we're putting forward has three key elements. Number one, that it's financeable. Number two that it's deliverable, because the £3.1 billion programme is the biggest we've ever undertaken and equally we have to make it affordable.

- **What are your plans to reduce phosphates? How are you going to go about that? We have massive issues on the Teifi where the CSO are spilling even when it hasn't been a high level rainfall. It was my understanding that the CSOs were only supposed to trigger at high level rainfalls so why are they spilling even in dry spells?**

Response given by: Steve Wilson- MD of Wastewater, Business Customers & Energy

The Teifi is one of our failing SAC rivers and in our plan, we're looking at a lot of phosphate stripping processes going into sewage works. We're also looking the more traditional chemical phosphate stripping process, which actually is quite energy intensive, high carbon footprint but we're also looking at wetlands solutions, and nature-based solutions as well. We've got some going on the Wye at the moment and we want to really push that concept further on the Teifi.

On storm overflows, when the storm networks were originally built the, the plan was that they should only operate in high rainfall. We've put monitors on our overflows to work out how often they are operating and we are finding in certain catchments, it doesn't take much rainfall to make them operate and that's because over time the amount of impermeable

area is probably increased. People are tarmacking front gardens to park cars, they are putting patios down and that amount of impermeable area is draining into that sewer network. But what we're doing now also as well as having the data on how often they're operating, we've commenced a really big study of what environmental impact they're having. We're measuring environmental impact up and downstream of our storm overflows and by 2027 we will have done 800 of those impact assessments and we're going to tackle the storm overflows which are causing the most environmental harm first. Those causing environmental impact will be prioritised and our PR24 plan has finances in there to tackle the first 100 or so of those of those storm overflows. There are quite a lot, thankfully, which are not causing environmental impact. They are very small discharges into big fast flowing rivers, so we're going to tackle those causing impact first.

- Welsh Water's business is about supplying high quality water. But I don't think you're defending the quality of that water well enough. Do you have a department that lobbies government on behalf of the rivers to get them to bring in more regulations?**

What I can see of being in the Herefordshire Council for the last four years, the Environment Agency really aren't stepping up to the plate in terms of making enforcement of regulations. So I'd like to see Welsh water and other water companies lobbying government to actually bring in higher regulations so that they can try and sort that out. I'd be interested to know how much money you've made since privatisation and has all that been invested in trying to sort this out because it feels to me that you're now taking it on board with the pressures that are being put on you by the population 20 years after. Why haven't you sorted it out 20 years ago?

Response given by: Peter Perry - CEO

We're working with 70 global organisations and universities across Wales and England, some abroad, to understand what the challenges lie ahead of us. So we want to be pushing on things that are coming down the line and a good example is things like PFAS³, these forever chemicals you'll hear about. So I'm just going use this as an example of where we recognise you can't stand still and we need to do more. And then in terms of working with others, like the Environment Agency, or Natural Resources Wales, there is a clearly a regulatory position in all of this. However, there is a constructive dialogue about being able to work together to get the right outcomes. And in your part of the world, in Hereford is probably the best example of this where we are working with agriculture. First of all, we undertook all the source modelling, pollution evidence gathering that was independently verified by the regulators, we've shared that with every sector. So agriculture have had that from us, Local Authorities have had it from us. So we know what we're trying to target and then we're doing things like building nature based solutions in conjunction with a number of like the Rivers Trust, the Wye and Usk Foundation is the predominant part that we have there on building Wetlands that will treat not only phosphates from our discharges but from those of agriculture where appropriate.

³ PFAS- Per- and polyfluoroalkyl substances (PFAS) are a large, complex group of synthetic chemicals that have been used in consumer products around the world since about the 1950s. They are ingredients in various everyday products. For example, PFAS are used to keep food from sticking to packaging or cookware, make clothes and carpets resistant to stains, and create firefighting foam that is more effective.

And then when you say about what have we done with our profits. The not-for-profit model came in in 2001 and since then every bit of cash surplus that we've had which amounts to around £400 million has gone back into the business. Predominantly into infrastructure to accelerate investment on big risk climate change risk. If I use an example from the last five year period up to 2020, we were getting to see that dam safety had to have additional priorities and we've put more money in there - over £100 million. What we've done with the remainder of the money is put it towards customers who struggle to pay. So there's no suggestion that even though we're not-for-profit we operate as a commercial business and any surplus is retained for the benefit of customers and since we've existed, we've done exactly that year on year.

- **What do you have to say to the children of Llandaff North that regularly have to litter pick the banks of the Taff along Hailey Park, who have to remove sanitary towels and wet wipes? It's all very well you removing it and expecting volunteers to remove it, but you keep putting it there.**

Response given by: Peter Perry- CEO

First of all, can I apologise that any of that debris from CSOs has ended up in that position. I must say, you probably know that our teams have gone down there and done a pretty extensive litter pick as well and I don't mean to sound defensive, but the majority that we came away from and this was looked at by the director team to be certain was actually windblown plastic. But I do take your point that there's more for us to do there.

We've just invested £10 million on the Ynys Bridge CSO upstream of the park and the core issue here, is we will monitor further CSOs upstream on the Taff and we will include those in future investment programmes. The key issue here though is we shouldn't be putting this stuff down the toilet if we could get society to move to not put too much rubbish down the toilets, particularly the plastics, then then this of course wouldn't happen.

On Hailey Park, the investment that we're carrying out there is to protect the environment that that's what's at the heart of the focus here in terms of doing the right thing to drain the new development, which we have a legal obligation, a statutory obligation to undertake. That is a critical infrastructure investment in terms of what will be in Hailey Park, there will be some disruption while we build it, but what will be left is two control cabinets no bigger than what I would describe as domestic wardrobe. So please understand from our perspective we're trying to do the right thing there. We have a legal obligation to make that investment. We can't not do it and we're trying to do it in the most environmentally friendly way we possibly can.

- **The scheme in Hailey Park is not fit for purpose. We've requested a judicial review and I believe a couple of community groups are working with you and prepared to speak. It's not right for our park to build on a green flag park and it doesn't mitigate any of the raw sewage discharge that on our side of the river was discharging 710 hours of raw discharge using your own 2021 figures.**

Response given by: Peter Perry - CEO

We've assessed this scheme, it is an essential piece of infrastructure to go in there to make sure that this new development, which we have a statutory and legal obligation to drain in

the most efficient and the most environmentally safe way that we can and that's where we are. We're more than happy to engage with anybody in relation to Hailey Park, our door is open to explain what we're doing and how we will go about it and to minimise disruption there as well as doing all we can to improve the river Taff further upstream.

- **What is Welsh Water's views on one planet development policy in Wales that integrates rainwater harvesting and domestic reed bed systems as these systems could mitigate storm overflows and reduce phosphate pollution into the river?**
- Response given by: Steve Wilson- MD of Wastewater, Business Customers & Energy

So sustainable urban drainage, any approaches where we're using green infrastructure to take up rainwater, avoids it running into highway drains, into the sewers, we're looking to promote so very, very interested in taking this idea up further. We've got integrated wetlands being built on the river Wye which are to offset the nutrient load from new development in Wales. All new development has to be built with sustainable urban drainage with separation of rainwater but the problem is that urban creep point, you know, existing properties, increasing the amount of impermeable area. Very interested in looking to push more of those solutions and a lot of our storm overflow solutions are a mixture of what we call 'green' and 'grey'. Green infrastructure to soak the water up, but a few grey pipes, you know, concrete storage, bigger pipes to be able to deal with it as well. And that's in the plan.

Affordability

- **How can we get the balance between affordability and what we have to spend on the environment and climate so that were not creating problems for ourselves going forward – how can we get that balance?**

Response given by: Mike Davis - Chief Financial Officer

We are hugely conscious that we have some of the most deprived communities in the UK that we serve and affordability is a key issue here. So we will get the balance right between the long term investment and doing the right thing, particularly addressing some of the environmental challenges and making sure that it's affordable and that's the real tricky decision that we have to make at every price review.

The reason that bills are going up this time is really because 1) the investment that we want to tackle, particularly the environment, is an extra £1 billion in the next five years compared to this five year period. But the other one I think people are probably unaware off is interest rates. We've all experienced interest rates have gone up hugely over the past few years and continuing to rise, we're not immune to that either. So that investment programme that we have, we have to borrow to fund that and the key thing there to give you an example back in February 2020 we went to the capital markets and we borrowed £300,000,000. The interest rate was 1.4%. The last week, United Utilities the company that serves the North West of England, they went to the market and the interest rate they were paying was 5.2%. So you're looking at a three to four times increase in interest rates. So we've got that pressure on bills. The key thing for us is how do we look after those people who struggle to pay. As you know over 10% of our customer base is on social tariffs and just to give you an example there some of those customers, their bills there are as low as £260.00 and if we compare that to the average bill in England and Wales of others at around about £448. So we are

doing our best to protect those who are least able to pay the bills but it does mean then that other customers are going to have to pay a little bit more.

- **How much financial support in total in pounds do Welsh Water proposed to make available to customers struggling to afford their bills in 2025 to 2030 and how much or what percentage of financial support could be funded from shareholder profits and also in the context of the current Cost of living crisis and the possibility of bills going up.**

Response given by: Mike Davis - Chief Financial Officer

We've always made contributions out of what would be profits within the company towards customer bills. Currently that stands at £12 million a year, so £60 million in this five year period. We are intending to maintain that total level of support going forward into AMP8 so we can continue to support around about 130,000 -140,000 customers. But those are customers who are on benefits so what we are seeing at the moment are customers who are not on benefits, who are working but struggling to pay. What we are trailing at the moment and something that we intend to launch very soon is this Cymuned project, which is about actually trying to help those people who are not on benefits by giving them a one-off grant or discount towards their bill to help them through the cost of living crisis.

Going forward one of the key things for us is we want to be able to retain some flexibility because the affordability issues may vary. Historically, it's always been focused on people who are on benefits and helping them, but what this cost of living crisis has shown is it can actually then extend to different groups of customers at different times. So we are keen that we will retain some element of flexibility that we can help those groups as it arises as well.

- **Our water bills are £50 more than the average of other water companies. And how does that fit with Welsh Water's affordability ambitions?**

Response given by: Mike Davis - Chief Financial Officer

Our bill is the amongst the highest in the industry, I think it's the second highest. But if you look at the companies with the highest bills, it is Wessex Water, South West water and ourselves. What's the common theme amongst all those companies? Longest coastlines of anybody else. So if you, if you look at the bills of companies with long coastlines, they are generally higher than inland companies, for example, compared to Severn Trent, and the reason for that is, post privatisation, all of the investment that was done to improve coastal waters was funded for by customers, improvements to river water quality was done pre privatisation and funded by taxpayers, so this is a legacy that goes back almost 20 years. So that's why bills are higher in those coastal areas.

- **Welsh Water released sewage into rivers, lakes and sea around Wales for almost 600,000 hours in 2022, the equivalent of non-stop releasing for 68 years. There were 83,000 instances in 2022, 77000 of which were classed as significant. These releases should only happen when there has been heavy rain. In 2022, Wales experienced the driest January to August period since 1976, so best part of 50 years. This has a huge impact on the people and environment in Wales that continuing risk is significant. Despite this Peter Perry, who we've seen today, received £232,000 in bonus. I would expect any bonus scheme to have a risk management element and I would not expect it to have been met given the pollution performance of Welsh Water in 2022. As the bonus scheme did pay out in these hugely controversial and emotive circumstances, from a customer trust and confidence**

perspective and given Welsh waters environment and waste water ambitions in the short and long term business plans are there imminent plans to review the bonus criteria?

Response given by: Mike Davis - Chief Financial Officer

Peter Perry as Chief Executive does not set his own pay and his own bonus. This is done by an independent group of non-executive directors. In doing that, it is a balanced scorecard. So environment is one element, but there's also a water quality side, there's also the customer service side and there's also about the deliverability and management of the business. So there's a whole number of criteria there. On the environmental side, if our performance is poor, then obviously the bonuses would be marked down by that as well. So yes, the bonus is paid but then they were not necessarily on areas where we will be a poor performer. The second thing I think to bear in mind as well, because it's obviously a lot of attention on the chief exec's pay, Peter Perry is by far the lowest paid chief executive in the water industry, orders of magnitude less than some of the leading companies. So in overall balance I think we are getting the right mix between executive pay to represent the fact that we are a not-for-profit company and secondly, that it's a balanced scorecard that reflects all the different aspects of the company's performance.

Response given by: Steve Wilson - MD of Wastewater, Business Customers & Energy

It's a very good point with those spill numbers, those release numbers are some of the worst in the industry because as we said, it rains a lot more on the western parts of the UK and our sewer network is 60% combined. You know ourselves, United Utilities, South West Water, we suffer from that. But the one bit of data that's missing is impact. We have how often they're going, but we're not measuring impact now. We were one of the first companies to get up to over 99% of our storm overflows with monitors to work out how often they're operating. We're also quick out of the blocks in terms of trying to get the most amount of study work done to understand impact, measuring the environmental water quality up and downstream of these storm overflows to find out which ones are causing environmental damage and they're the ones we're going to tackle first in our investment plan. We've got money to start tackling the worst ones. There are around 30 storm overflows which Natural Resources Wales have on a list for reason for not achieving good water quality status so we're tackling those in this five year period as well. So our approach here is recognising that we're at the bottom end of that league table so to speak but what we want to do is keep driving at water quality and kilometres of river improved and we're going to tackle our storm overflows not based on the ones which spill the most, but the ones which cause the most environmental impact.

Water supply and quality consumption

- **I've read that the transfer price of water that extracted from Wales and then pumped into England (and the plans to increase that even further), is Wales getting a fair price for that? Because if it's not, then something should be done to increase that price to reduce the burden on Welsh consumers and to enable Welsh Water to deliver its plans and perhaps even to accelerate the delivery of the plan.**

Note: The answer given in the session inaccurately referred to an Act of Parliament, whereas it was actually a contract following intervention from government Ministers. We have

revised the answer to this question below with the correct information. The original answer which was given in the meeting can be found in the footnote⁴.

Welsh Water exports approximately 110,000 Mega Litres per annum of untreated water from the Elan Valley Reservoirs to Severn Trent.

The Elan Valley Reservoirs were originally built by Birmingham Corporation and have supplied water to Birmingham since 1904. The Water Act 1973 vested the assets in the Welsh Water Authority.

The price at which the Elan Valley water is sold is set by a bulk supply agreement entered into in 1984 following the intervention of UK Government ministers who forced the agreement on Welsh Water and Severn Trent after the two companies could not reach agreement. Severn Trent are allowed to take up to 386ML/d of untreated water from the Elan Valley Reservoirs. The contract expires on 31 March 2073. Severn Trent have an option to extend to 2172. A

It currently stands at approximately 7pence per m³. The charge varies from year to year by reference to the average change in the unit cost of water supply of DCWW and Severn Trent. In total the price currently stands at around £7million per annum.

The Elan valley agreement predates privatisation and arguably the volumetric pricing, arguably, does not reflect the market value of water.

This is the largest intra company trade in the England and Wales water industry. (Water exported from Wales to England from Lake Vyrnwy is from reservoirs owned by United Utilities)

⁴ Original answer given by Peter Perry: Let's set up the criteria for what currently happens and let me then cover off what our position is on this. First and foremost the current big existing transfer is from the Elan Valley to Birmingham. Now that's set out in an Act of Parliament and we are not able to influence that. But the one thing we've learned from that if there were any future transfers of water out of Wales and I'll come back to our position on this at the end, there is some criteria that we've agreed with Welsh Government would have to be made. I think we're absolutely aligned on this. Number one, there can be no detriment to the water supply of our customers in Wales. Secondly, it would not have any impact on the environment in Wales. Thirdly, it would have to be at a commercial rate. And finally for it to take place, we would want the Elan Valley Agreement reopened and renegotiated at a commercial rate. We can't do anything about the Act of Parliament covering it. It won't be able to be reopened for over 100 years as we understand it because of the legislation it's wrapped up in. This was put in place back in the 1980s before Glas Cymru was formed, but we would never want to replicate that again. As for any water transfers that are currently being talked about the predominant one is like Lake Vyrnwy where there's an existing transfer that is in our asset that's actually an asset owned by Severn Trent and operated by United Utilities and that's the transfer that's now being talked about. But I hope I've been clear there, we do not want the Elan Valley situation replicated and if we can do anything to reopen that to get it to a commercial rate and that benefit would solely flow back to our customers in Wales.

Currently we get around £7 million per annum for that transfer, not massive, but again as you know as a not-for-profit, it's reinvested anyway, but we will not put up with that kind of transfer again and I'm pretty sure that Welsh Government wouldn't as well.

- **A customer has sent a question and she had a number of drinking water quality issues, which she's raised with the company on a number of occasions. The main question is how can people with concerns about their water quality get these worries addressed? Will the new business plan have any systems or guarantees in place for those of us with drinking water quality concerns?**
 - **linked question, how any deterioration in drinking water quality is monitored and how are residents informed? Is it a case of not knowing until people become sick, like previous cryptosporidium outbreaks in North Wales?**

Response given by: Peter Perry - CEO

In terms of guaranteeing standards, we undertake over half a million tests on drinking water per annum at Dŵr Cymru. Some of you may have had one of our samplers turn up at your home and asking to undertake a sample that's done on a totally random basis that we have no choice in where our samplers will go and we carry out over half a million tests. So I think we have very high standards and numbers of water quality samples that you would find anywhere in the in the western world and we have a state-of-the-art laboratory down in Cardiff and a subset of that up in North Wales to undertake those tests. I think water quality clearly features highly. I touched on the over £300,000,000 plus investment that's going to be taking place going forward.

- **What is Welsh water doing to bring over and above resilience to the risk of drought?**

Response given by: Peter Perry - CEO

Well clearly we were severely tested as was the rest of the southern half of the UK last year with the severe drought conditions and you know we had to impose a temporary use ban on about 1% of the total population and we clearly had to do that to do the right thing to protect the environment and sustained supplies. We estimate, and these numbers have been worked on at the moment, what we saw last year was about a 1 in a 150 year drought event that that took place in 2022. We are investing to get to a 1 in 200 resilience by 2030 and if we can do that before that we will and then we're targeting 1 in 500 year resilience by 2039/40. So in our plan going forward in the next five years we are looking to connect some water supplies zones up, the one area where we've got some concerns about in the Swansea Valley at the moment and if we can connect some of the supply systems up in that area, we will reduce that. But again in terms of if you think of 2022 as a 1 in 150 event, we are targeting having further resilience to 1 in 500 by 2039/40 to do with those type of emerging climate driven situations.

- **What are Welsh Water doing to reduce its own environmental footprint. And are there any plans to use water to produce electricity?**

Response given by: Peter Perry - CEO

We're already doing an awful lot about it. We have almost maximised the opportunities for hydro generation from our dams and we currently self-generate around 25% of our own energy that we use in the business. We're growing that to 30% by 2025, so from a water perspective, we're probably at the place where there isn't any cost benefit in doing more

hydro because we've already got that done and they've been in place for some years. But the big energy opportunities for us lie on our wastewater side of our business. We already have advanced anaerobic digestion sites across Wales to name two we have one at Cardiff and one at Wrexham, but we're building a plant that will take the CO₂ from our digestion process and we will sell that CO₂ commercially, because there's a shortage of it and it makes sense, reduces our carbon footprint. But by 2030 we will have reduced our carbon footprint by 90% and we will get there fully by 2040. That last 10% of course is tied up in what's known as scope 3 reductions which is in the supply chain and for us it also covers things which comes from our hard yards around the emissions that come from our waste water treatment plants but very high in our agenda. We spend over £1.5 million a week on energy to give you an idea how we're aligned when we pump and when we treat water or waste water, but very high on our agenda, strong business plan to get us to that and all included in the plan that we're talking to you about today.

- **Last summer was a very dry summer and it's also been raised that Wales, we have one of the biggest coastlines. Will there be anything included using desalination? I know other countries, for example Saudi Middle East, which have less rainfall, they have that already in place. Is it something that we could maybe consider if we do start getting less rainfall, you know make use of our coastlines?**

Response given by: Peter Perry - CEO

We won't be considering it, what I would describe for the mass public water supply in Wales, but a couple of things where we've already considered this. Do you remember when there were plans for Wylfa B, the nuclear power station up in Anglesey? There we did consider desalination for that but in the end with the changes and reductions in leakage, we were able to make and some cross connections across North Wales, we didn't need to pursue that, so if Wylfa ever came back onto the cards then we would be supplying it from other sources. I don't know whether you've heard about the hydrogen port down at Milford Haven. This is where the idea of converting, I believe the natural gas that comes in on the big ships into Milford Haven, there is going to be a hydrogen production facility built down there. Now when it comes to water supply, because hydrogen plants will need that for cooling and for safety then probably rather than using what water resources from Pembrokeshire but desalination would be one of the key issues that we would assess in that way. So in summary, I don't see us using desalination for the general water supply, but if we get these big commercial projects pop up around the coast, then desalination will be high on the agenda and just coincidentally, you may or may not know this, but the foremost thinking on desalination is actually held at Swansea University. I know professor Nidal Hilal who's the leading light on modern desalination thinking so what we would do is link with Swansea University to take that forward. We couldn't have better advisers so hope that's clear. Specialist applications for big commercial water uses around the coast rather than the general water supply.

- **How can the company ask customers to save water when it's you losing 1/4 of the water it takes from the environment through leakage?**

Response given by: Peter Perry - CEO

A very fair question that we you know, I hope I can answer straightforwardly. We've got 28,000 kilometres of water mains and if you go anywhere in the western world, you will find leakage. But half of that 25% actually occurs on our network and the other half occurs on customer supply pipe. So it isn't all entirely down to us, but I must say we absolutely get this point. You know there is no way in the world that we can have a position where we go to customers to reduce their water use if we're not doing the right thing. We've got about 700 people working on finding and fixing leaks pretty much day in, day out here at Dŵr Cymru, that will continue. But I think in our comms and our dialogue with our customers, we have to be absolutely clear that if we're expecting or asking them to do something to reduce water, we've got to be seen to do our bit in this. It's a bit like for those of a certain generation what painting the Forth Bridge is like you don't fix leaks once and they're fixed. There is something known as the natural rate of rise, which means leakage is taking place all the time, and when you've got some ageing pipes, you fix one leak, it then finds the next weak point on that pipeline and bursts again. But we are continually focusing on that. We currently expend over £100 million every five years on leakage we will continue to do that going forward. Top priority for us and also doing other things like reducing pressure on our network to reduce the opportunity for mains to burst but absolutely get your message top priority for us. We're doing a lot in that space, but this is a space that we always have to do as much as we can, particularly when we take on board feedback from customers that they recognise for them to do anything rightfully they want to see us do the right thing and we'll continue to do that.

Customer Service

- **How do you see customer or consumer vulnerability in your area changing over the next 5 to 15 years and what impact has that had on your business plan proposals and longer term strategy?**

Response given by: Samantha James - MD of Household Customer Services

The fact that this last sort of 12 months or so has I think turned a lot of views on what affordability and vulnerability is on its head. We serve some very, very poor populations across Wales and we've developed a lot of support, our HelpU tariff where we're supporting almost 100,000 customers, we've got our WaterSure Wales tariff that's another 30,000 customers and you know we've made good progress in getting those tariffs to the most, most needy in our communities. But what we've seen over the last 12 months is very different cohort of customers. These are people who are working, they don't get means tested benefits, but because of increasing interest rates, energy bills, fuel prices, food prices, they're now in a position where they have negative budgets and these, you know these challenges we need to be able to respond to now and also and we'll try and anticipate something different again and having that flexibility is really important. So we will continue to provide social tariff for our poorest households, but we will also look at changing or introducing new schemes to meet the whatever challenges are prevalent at the moment, I can't tell you what 2028 is going to look like, but there will be some challenges that we will need that our customers will face that we all want to try and support them with so you know, continue to put our own money into supporting a low income households will continue to be a priority for us.

- **How does the company support the Welsh language?**

Response given by: Samantha James - MD of Household Customer Services

It's a really, really good question and it's something I think you know we've worked very hard at. So you know we provide a Welsh language service to all of our customers and interestingly not many people register for it. We've only got about 6,500 thousand customers actually registered to receive written communication but we've got many more people that will use our telephone service, our online services and we've done a lot of research trying to understand why that is the case so there's a few things that we can do in the future to make it easy. One is not to limit our systems, because I think one of the limits is the fact that you know you have to register for a service and then you only get to that service in Welsh whereas you have bilingual households. How do we vary that so how do we develop our systems and make that more intuitive. But also how do we work in communities. So we're we've been trying to build a satellite contact centre in Carmarthen because we know that that's a strong Welsh speaking heartland and improve the quality of the service that we provide to customers. Then within the company you'll probably aware we have and we will continue to provide opportunities for our employees to learn Welsh and become more confident in using the language when we are in Welsh speaking heartlands.

- **Does Welsh Water run any focus groups for customers to become involved in and if, if they do, how can we join?**

Response given by: Samantha James - MD of Household Customer Services

We do a lot in terms of engaging with customers on different levels so clearly today is one of those events where we're testing our plan for the next 5 year period and we're really keen to get customer views and when we're developing new services, and we very much embrace a concept called 'user centred design'. So we want to develop the services that customers are going to use and we'll run focus groups to test those services. And then we periodically will undertake various customer research and this is very much led by our comms and engagement team to look at you know, getting customer views on different aspects of the company and the services that we provide. I think there's probably a little more that we can do in terms of maybe promoting some of that.

- **How does your public purpose influence your business plan proposals in terms of where you go above and beyond the core water business services, how are you planning on supporting citizens rather than just customers during the next price control period?**

Response given by: Samantha James - MD of Household Customer Services

We take a very wide look at our, you know, our stakeholders, we engage with organisations such as CCW, we work with our Independent Challenge Group to get the views of various stakeholders, not just in terms of the business planning process. It's an ongoing relationship that we have, you know continuously even though that was set up for the PR19 price review, so that's how day-to-day level make sure that we take on board the view the wider stakeholder views.

Response given by: Samantha James - MD of Household Customer Services

I think in terms of our purpose, we also have a social contract with our customers and that social contract is evolving. I'll give you an example. We now work with a number of citizen scientists groups on some of the rivers in Wales. The information they give us is invaluable. If they can tell us we've got a problem somewhere and help us get to it quickly of course, we'd like to do that. I've already touched on our education programme that will continue and grow. We also have our visitor attraction centres the recreational facilities we have. We'll have five of those centres with the new one being built in Lisvane in Cardiff. But it extends beyond that, it's about being a good employer. We're bringing in 50 apprentices this year. The biggest apprenticeship intake we've ever seen. We bring in about 15 to 20 graduates every year. All that sort of stuff continues having a very clear focus on the what's known as the ESG agenda. You know the environment, social and governance agendas that companies these days are putting much more effort into. Deb Owen Rees, one of our independent directors heads that up. And then if you think more broadly, it's about having internally in the organisation a modern focus on employment, which includes equality, diversity and inclusion. So we absolutely get the fact that this isn't what I would call a transactional business plan because of the kind of organisation and company we are, we have to move in into these areas and we've got a good track record on that and we'll continue to do so.

- Summary question from the Chair: **Comment from the group that there's too much focus on corporate players and developers and not enough on communities and on customers, both in terms of their water supply and quality and in and the environmental impacts around where they live.**

Response given by: Samantha James - MD of Household Customer Services

That's a really interesting proposition. So I as the Managing Director of Household Customer Services, often get accused of exactly the opposite that we put all of our efforts into our household customers because we have huge amounts of activity going on in that area. We have a centre here in Cardiff where 500 people whose day-to-day job is exactly about serving our non household customers listening to their concerns and escalating those concerns that they are unable to deal with to make sure that we understand the themes coming out of them. So we scrutinise all of the contact coming in, understanding the reasons for it and those things which become the big ticket items go all the way up to our door company executive table. I sit there with Pete and Mike and we are talking about these things everyday. We have community teams that are outright across Wales that are working with some 300 organisations that we work with, trying to access that to support hard to reach communities and taking the feedback from people you know as we have on the call today, who have got some very legitimate concerns and see how we can best respond to them.

- **How are Welsh Water going to focus on business customers and help small businesses, especially help save water and money.**

Response given by: Peter Perry - CEO

Small business customers are really important constituency that we mustn't forget about it and sometimes it's too easy to forget about them and think of the big boys and our big users of water. But you know we've got about over 100,000 customers that fall into that sort of micro business category so we have the team here that support those.

The market in Wales is different to England, so customers are who big users can choose their retailer, we've got a 100,000 customers that can't choose their retailer and we made the commitment they would not be disadvantaged by the market situation here in Wales. So we have a team that are available to help those customers in terms of understanding their water consumption, dealing with issues they might have over their bills because often it is something to do with their water usage which is driving built some of these errors and we'll continue to do that. We've talked about progressive metering and that will give customers information on their water usage in a more real time basis than they get currently. And that would be wrapped around with our things like free water efficiency audits, the advice that we can give around how they can improve the setup of their own internal plumbing arrangements so it's stuff that we do now that will continue on into AMP8.

Questions submitted but not answered in the session or received as follow up to the session

- **What is Welsh Water doing to manage property companies to manage sewerage and improve our rivers?**

We actively engage with organisations who undertake development of all forms (housing, retail etc) both informally and formally. This includes working with all Local Planning Authorities in our operational area about future growth (part of the Local Development Plan process) and development control (planning applications). We assess our assets' ability to support the level of growth or the specific planning application and will outline the appropriate requirements to ensure existing communities and the environment are protected from any adverse consequences that would otherwise arise from the proposed development. This is all undertaken within the established legislative frameworks that apply to the water industry and development planning procedures. Our experience of these arrangements is positive and where we have improved environmental outcomes as a result of new development (e.g., removing existing surface water from combined sewers) and this will continue. For further information, please refer to our manifesto for rivers in Wales which can be found on our website

<https://corporate.dwrcymru.com/en/community/environment>

- **Increasing numbers of people are swimming in open water and participating in water-based recreation. Some companies are publishing where they are discharging sewage into rivers and seas but it is hard to interpret what this data means i.e. is the water safe to swim in? Other companies are training staff and communities about water safety. How have you helped promote water safety for your consumers and employees and how do you propose to do this in your 2025-30 business plan so we can safely swim and play in our rivers and seas?**

In terms of water safety, Dŵr Cymru has been running reservoir safety campaigns for many years now helping to better inform our customers and employees on the dangers of

swimming in our reservoirs with unauthorised access. We also run a free education programme with schools and thousands of children visit our education centres each year. This programme includes teaching reservoir safety. In our 2025-2030 business plan, we will be providing designated bathing waters at two of our inland reservoirs.

In terms of being safe to swim in our rivers and seas we contribute only one element of water quality and due to there being other contributors into bathing water quality, our customers are directed to Natural Resources Wales and Welsh Government for public health matters in terms of understanding if it is safe to swim. We are also working closely with a Welsh Government led group looking at trial areas for the designation of inland bathing waters, as well as our own waters mentioned above.

We fully recognise the public concern about storm overflows and are developing plans to reduce the number of times they operate which is a massive undertaking in Wales with over 2,300 assets operating in an area of the UK more affected by rainfall than others. Reducing the number of times our storm overflows operate to less than 10 discharges per annum is likely to cost around £20bn and will require a decades to complete in a deliverable and affordable way.

We have committed to delivering real time monitoring on all our storm overflows, to ensure the public are informed within 1 hour of any discharge. This will be delivered before our 2025-2030 business plan starts and is being delivered in 2 phases: phase 1 will go live on sites near designated bathing waters as well as local bathing hotspots and phase 2 will then pick up the remainder of our storm overflows. We have just completed an Open Water Swimming/ Dipping digital survey across Dŵr Cymru's customers within our operating area, using an external survey company Red Kite Environmental. This was to identify from our customers, particularly those who use outdoor bathing waters, where customers are swimming or dipping at coastal and countryside waters in our operating area, and the timing of when they are used. This data will be used to support the phase 1 roll out of real time monitoring. The survey data has also been used to understand how our customers would like to access our CSO spill notifications and on which platform they would like updates. The survey data will also be used for follow-on customer engagement workshops within this project to review accessibility and ease of use of this data. The survey has also been used to inform us of open water swimming demands at our visitor attraction sites.

During the period 2025-2030 we will be investing £420m to improve storm overflows and at the end of 2023 will publish more information on these plans, including plans in investment beyond 2030.

- **Climate change is resulting in increased extreme weather events including drought, heatwaves, increased water supply interruptions. How will you proactively help your domestic customers and small high water dependent businesses to prepare to be more resilient to these changes so their negative impacts are lessened or prevented?**

We proactively encourage and support customers to reduce water usage to ensure that our water supplies are used responsibly to manage for the long term. Our active programmes include:

- 1) Education Programme – A continued commitment to educate and inspire pupils on the value of water. During 2022/23, over 80,000 pupils were involved in our education programme, with over 1,000 hours spent in classrooms - helping to ensure that the next generation is well-equipped with the knowledge and skills required to protect our most precious resource.
 - 2) Our Cartref Programme – working to identify customer side losses, and provide an enhanced free leak repair service including internal plumbing losses (e.g. defective toilets).
 - 3) Our free toilet repair service – promoted across our operational area in a rolling programme but available to all. There are some restrictions to this mainly around access for example. Whilst we work to undertake the repair we also actively inform the customer as to why the fault has occurred as well as provide guidance on good maintenance practices.
 - 4) Get Water Fit platform – offering customers access to free water efficiency products and education around behaviours.
 - 5) Home Water Efficiency audits – this is a new programme to identify the highest users in an area (rolling programme) and offer a free home visit, where we work to educate on behaviours as well as install a wider range of water efficiency products free of charge.
 - 6) Community programme – in development at the moment. Working in a community over a short period of time with an influx of resource to develop a campaign style approach to reducing water wastage. This will work with key stakeholders to promote the other water efficiency offerings we have and to really drive change.
- **What is Welsh Water doing to bring income from being better at storing water to sell outside Wales and the UK?**

There is currently no significant surplus capacity in the Welsh Water operating area for any future exports without additional infrastructure investment.

Dŵr Cymru recognises the serious water resource challenges faced by many regions of the UK from climate change and population growth, and will explore ways in which it could contribute to possible solutions, provided that:

- there is no compromise to the security of water supply to its customers both today and in the future;
- there are no adverse impacts on the environment and communities in our area;
- any water provided by Dŵr Cymru generates appropriate economic value for our customers and for Wales.

Transporting water is expensive due to its weight making it prohibitively expensive to move over great distances when other, cheaper alternatives may be available locally (including desalination).

- **How far are you thinking about engaging younger people/future generations in your business plans and long-term thinking?**

Future customers have formed part of our customer engagement for business planning to ensure we accurately represent all segments of the customers we serve.

During the last Price Review, PR19, future customers were included in commissioned research where the topic areas may impact them in future such as bills and affordability. We also created a Youth Board which included 15 young people (16-18 year olds) from schools across South Wales, aged 16-18, to advise the company on how to tackle significant issues facing the company in the future. The Youth Board acted as a forum for future generations of Welsh Water customers to debate long-term company plans. The students then worked over the summer of 2017 on improving our Let's Stop the Block campaign.

We are including future customers in our commissioned research projects for PR24 business planning.

- **Have you or will you be engaging with stakeholders in your region to develop a consumer vulnerability strategy outlining how you will deliver inclusive accessible services and protect customers and communities for 2025-30? When will this be published and how will it be updated?**

We published our strategy for supporting customers in vulnerable circumstances in 2018 (copy attached) and each year we provide updates on our progress against it to our Board and our Independent Challenge Group (ICG). Ahead of 2025 we will be engaging with customers and stakeholders, such as our 300 partner organisations, the Independent Challenge Group and the Consumer Council for Wales to understand how priorities have changed since 2018, consider the successes of this strategy and to develop our approach for 2025-30. Once complete this will be published on our website.

- **Can you provide examples of where you have genuinely co-created solutions with your local communities, customers and wider stakeholders to improve service design and support the environment?**

We use co-creation in a number of areas such as service design, engagement for delivery, and engagement for business planning.

The Water Resilient Communities Project is a place-based project that offers an opportunity to utilise key partners to identify co-creation opportunities with customers. Following project members' work with the Co-Production Network for Wales, its' principles have been applied in a few different areas to encourage more 'doing with', rather than 'doing for'. One example, where shared decision making featured prominently, was the development of a co-produced children's fictional book –designed to raise awareness of sewer misuse amongst the next generation - but produced through the eyes of a cohort of Year 6 pupils. In other areas of the project, the Vulnerable Customer and Cartref (Water Efficiency) workstreams have recently begun utilising housing association links to directly communicate with tenants in determining how literature and messaging should be improved to better target their support at a local level.

We've used user centred design for both website enhancements and the development of our track my request service. For both of these, we have developed wireframes (simple designs) of a potential service. These were then tested with real customers in customer research. Feedback from these customers has then been used to refine the design before we spent time developing the service. An example of this feedback was in the design of the 'track my request' service. Customers identified that clear next steps and notifications were important which we were able to then include in the service.

- **I have just been reading about the NRW plans to reintroduce freshwater pearl mussels into some Welsh rivers; Is Welsh Water supporting this scheme and if not why?**

We are co-financing Natural Resources Wales's (NRW) multimillion-pound river restoration project to transform the River Dee and its surroundings, to help improve declining fish populations and rare wildlife in the area (not just support specific species like the freshwater pearl mussel). The £6.8 million, cross-border project will bring multiple benefits to the environment, particularly improving the numbers of salmon, lamprey - and freshwater pearl mussels, helping them become more sustainable in the future. With a catchment area of more than 695 square miles (1,800 km), the Dee is one of the most highly regulated rivers in Europe. Along with Llyn Tegid (Bala Lake) it has been designated a Special Area of Conservation (SAC). Conservation work carried out during the project will help the entire river ecosystem, by improving fish migration, biodiversity, and habitats for birds and mammals. It will also improve water quality and the safety of recreational use. Working in partnership with local communities, landowners and contractors, the project will include weir removals, constructing fish passages, improving the river channel, and adapting farming and forestry practices. It will also focus on rearing and releasing the critically endangered freshwater pearl mussel, until the population is re-established.

- **Please can my question on the appropriateness and need to review the exec bonus scheme be put to your Reward committee and whoever sets the criteria and a response provided?**

[Original question asked during the meeting linked here.](#)

Our annual report and accounts document includes our remuneration report. This can be found here <https://corporate.dwrcymru.com/en/library/group-annual-report-and-accounts/glas-cymru-cyfnygedig>

The Annual Report for 2022/23, including remuneration report, will be published in July 2023.

- **I live in North Cardiff and Welsh Water want to build a sewage pumping station in our award-winning community park. This would ruin our park and we want Welsh Water to leave it alone by following one of the alternative solutions that exist. We feel that Welsh Water is favouring big corporate players in new housing developments over our well-established community. How does this fit with your Customers and Society Ambitions which seek to maintain the trust and confidence of your customers?**

We understand the concerns expressed. We have a statutory (legal) duty to provide new infrastructure for any developer – large or small – when they are undertaking development – in this case new housing. Our obligations in this respect are set out in the Water Industry Act 1991 which in summary sets out the timescales for us undertaking these works, what we are permitted to do in respect of the scope of works and costs and what the developer has to pay us. This is the basis on which we determined the preferred solution that involves a new pumping station at Hailey Park, and we now await the outcome of the legal challenge. Whilst we want to do all we can to ensure our activities meet all our customers'

expectations, where we have legal obligations then we try where possible to strike the right balance.

- **In the session held yesterday morning, the CEO of Welsh Water stated that water abstracted from the Elan Valley and used to supply Birmingham was subject to an Act of parliament with a lifetime of 100 years. Would you kindly signpost me to this Act and any other similar acts which relate to the abstraction of water from Wales for subsequent use in England?**

Apologies. This was a mistake – please refer back to question [here](#) which outlines the details of the agreement.