

Dŵr Cymru Welsh Water

‘Your Water Your Say’ Written Record

17th Nov 2023 - Online Event

This document provides a written record of the questions asked in Dŵr Cymru Welsh Water’s second ‘Your Way, Your Say’ session which took place on the 17th of November 2023.

In this session the Welsh Water panel presented a 15 minute summary of the Business Plan for PR24 (2025-30). This presentation has been uploaded to our website ([here](#)) 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 49 participants, including the company’s five panel representatives:

Peter Perry – Chief Executive Officer

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

Ian Christie – Managing Director of Water, Asset Planning & Capital Delivery

Samantha James – Managing Director of Household Customer Services

Mike Davis – Chief Financial Officer

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 and Ofwat as a true representation of the meeting.

Questions were categorised into four themes:

1. Water Quality & Supply
2. Wastewater Services, Storm Overflows & Pollution
3. Environment, Climate Change & Net Zero
4. Affordability & Customer Service

Questions covered a wide variety of topics as outlined below:

- River water quality & pollution
- Infrastructure & Combined Storm Overflows
- Average bill amount compared to other companies
- Affordability in the long term
- Financial support for vulnerable customers
- Carbon reduction & Net Zero
- Leakage and Lead pipes

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 written transcript of what was said in the meeting.

Section 1: Questions received

Chairs opening questions

- [Welsh Water has a good acceptance level, people accepting that this is the kind of plan that is required and will impact that obviously with our audience tonight, but a fairly small proportion, only 15% saying it is going to be easy to pay so. Have you got this right? Have you got the right kind of support mechanisms in place to make sure that people can pay for it? We're still in a cost of living crisis](#)
- [\(Referencing slide 12\) Hopefully people had a chance just to look at the bar graph, there's quite a jump up. We get to the start of 2025 and it's quite a little jump up there to the next level and then it's a slower phasing up from there to the end of the five year period. So have you got this right? Is this going to be affordable? And what's the reason for the sort of phasing of the bill increasing quite the way you've put together?](#)
- [There are doubts about the plan about whether it's ambitious enough. You yourself I think have said as part of your submission that you've let yourselves down, you've let customers down, particularly in the area of leakage. And obviously, I'm sure we're going to talk a lot about storm overflows tonight when we come to that in the in the second part of the session, do you think the company has been ambitious enough? Whilst you're probably trying to catch up with history as it were in the lack of investment, do you think that this is bold enough to do it? To do that kind of catching up, at least in the next 5 year period?](#)

Water Quality & Supply

- [Your leakage reduction figures for 2025 to 2030 don't look very ambitious. How can you ask customers to save money if you're wasting water yourselves?](#)
- [Your current supply interruption figures are quite high at 44 minutes, so it's just a bit of information on how you even achieve 8 by the end of 2025, never mind the 4.5 minutes you've stated in your presentation.](#)
- [If lead pipes are a risk to public health, is an ambition to be lead free by 2050 going fast enough?](#)
- [How quickly are Welsh water looking to roll out their smart metering strategy and how will they look to communicate with customers and address their concerns?](#)

Wastewater Services, Storm Overflows & Pollution

- [You mentioned in your business plan for 25 to 30 that you are improving 168 priority storm overflow areas in Wales. Is this all of them and if not, what percentage? How do we find out which areas you will be prioritising?](#)
- [I was the BBC's environment correspondent in Wales in the 1990s and reported on huge investment in water treatment plants, which led to new Blue Flag beaches. Storm sewage overflows were recognised as a problem then and there was said to be a programme to eliminate them. Dwr Cymru not-for-profit has not paid huge dividends to shareholders like the English companies. So why is the record on sewage pollution of rivers and beaches so terrible in Wales?](#)

- Follow up question: Welsh water hasn't been having to pay huge dividends so should have made more money available
- I'd love to know what the metrics are for the reduction in the harmful chemicals and harmful substances that are going into our rivers over this next well up to the 2050 period. You must have a model, let's just choose phosphorus as an example, you must have a model that says this is how much phosphorus is going into the rivers today albeit an estimate, that says by 2040 by 2050 or even by 2030 actually, this is what we will be dumping into our rivers and coastline. Could you share that with us?
- It was really good to see the amount of investment that's going to be going into tackling the sewage problem and just wondered how you're going to meet these environmental targets and the sewage overflow discharge targets without just relying on investing in building concrete tanks and how much of this investment will there be spent on nature-based solutions moving forward?
- Do you have a time scale for when we would see nature-based solutions being introduced?
- When will Welsh water start breaking the law in terms of raw sewage releases into the sea?
- Is the quality testing and reporting regime for water released into the environment fit for future purpose?
- I'm a regular outdoor swimmer, so I really rely quite heavily on the service against sewage app, which is very helpful because obviously it tells me when there has been a discharge and then I can be sensible about if I swim underwater or if even if I want to go in. I do like to swim in Barry and Penarth but unfortunately I can't ever seem to find out if there's any information on discharges further than Llantwit major so really it's just how do we find this out as a member of the public?

Supplementary question from the Independent Chair:

Peter Perry (CEO) has used the phrase a couple of times to know about being open and transparent and I think we're living in an era of open data, How are you going to open up more of your data and be more transparent and provide more of the data that is available to you to customers, including people who want to swim?

- Follow up question: Can I just ask how are people able to tell you where they swim? I haven't seen as a member of the public that question being asked is it, how is it accessible to people?
- I'm interested to hear from both the water quality perspective and the issues around wastewater. What assumptions are sort of being made really on the understanding that PFAS chemicals that is likely to become a much bigger issue in the coming years that seems to be indicator from Europe and the states anyway, and just what assumptions Welsh water have made really on that subject, accepting it's a very complex space.
- Follow on question: Do you expect there to be a difference in standards coming forward with EU and the US seeming to be being very aggressive on this subject.
- What are your plans to reduce the amount of phosphate in the river Dee to safe and naturally occurring levels of 50 ppb and how will you ensure that these plans are successfully maintained?
- My main concern is over the quality of the tests of wastewater. My day-to-day job is I test a lot of water around an aquarium, and I know that how you test for things can make a huge difference. An easy example would be a tributary into a river, in very clean water and would be right next to a testing site and you could test the tributary instead of the mainstream of water and obtain false great results. Is there any way that you can kind of make sure that that isn't happening with GPS?

- When is untreated discharges into water is going to be stopped completely? Also, the pace at which the storm overflows will be tackled your presentation suggested there's a far higher rate of addressing this problem in the latter years (of the 5 year period), which you could say because you tackle the hard ones first so they take longer or it could be that you're very optimistic about potential in the future?
- Follow up question: Is it feasible/plausible for you to be planning for dealing with these at 10 times, the rate in the last years of this plan, 2028 to 30 and the following ten years as in the imminent five years, if most organisations can't deal with that sort of scaling up. Or is it fanciful thinking?
- Follow up questions from the independent chair: Help people get a handle on how harm is measured? How will people know whether you're achieving what you're setting out to do here?
- What is it that is going to stop you from making the kind of massive jump in progress that you're talking about? What might be the one or two top things that will stop you from making the kind of progress that you and clearly the people on this call want to make?
- I recently received an e-mail from our friends at Extinction Rebellion. A good environmental campaign group. And they're saying and my question to you is why should your customers not withhold their payments of their water wastewater bills?

Environment, Climate Change & Net Zero

- I live in Porthcawl where around 900 new houses are about to be built. Are Welsh water informing planning authorities about what is required from proposed new building developments to minimise the impact of adding even more pressure to an already overloaded and broken sewage treatment system.
- The deterioration in river water quality has kept pace with the rise of intensive farming, particularly broiler chickens. Is it not a mistake to recycle phosphates through agriculture?
- Is there any potential to harness methane from sludge prior to it being spread on fields?
- Follow up question: How about atmospheric nitrogen bacteria? Essentially taking excess nitrates from the water straight into the atmosphere by using bacteria. Is that done at all?

Affordability & Customer Service

- Having read the responses given to many excellent questions asked at the April meeting early this year, the overriding impression given, especially by Peter Perry, is that Welsh Water does the minimum required to meet the statutory requirements placed on them and feel that it is enough. Where is the vision?
- Water rates in Wales are on par with those charged in England. Welsh Water is a not-for-profit company administered by Glas Cymru. The English water companies are privatised and have shareholders to whom they must pay dividends. Welsh Water does not have shareholders or the requirement to pay out dividends. Why when our customers in Wales have similar rates to English customers. Where is our money going? It can't be to invest the company's infrastructure as we do too much to suffer sewerage discharges into our rivers into our beaches. Please justify the charges for Welsh water services, including salaries and bonuses for Glas Cymru Staff.
- The social tariffs and the extra help schemes are immensely valued, certainly by our beneficiaries, they really do make a difference and personally it's my dearest wish that other utility companies would do half as well. One question I have around the HelpU tariff is that in order to be eligible for it, people have to be on a means tested benefit. Now one of the things that really concerns us as a charity is that particularly one of those benefits, pension

credit, is vastly underclaimed. The older People's Commissioner for Wales estimates around £200,000,000 of pension credit went unclaimed in Wales just last year. So, what are your thoughts on helping people whose incomes are low enough to be on a means tested benefit, but for whatever reason are not actually part of the benefits system, don't have an active claim?

- I work for scope, the disability charity. I head up our utility and energy support teams. So we've talked with a lot of water companies as it currently stands at the moment whether or not you're aware, there is a price tag of being disabled of approximately £975 per month per household, where one adult or child is disabled. A lot of our customers aren't classed as being on a low income. They might not get means tested benefits, but we know that their household costs are a lot more expensive than a non-disabled household. Would Welsh Water be prepared to pledge something that some of the English water companies are doing, which is from the next financial year anybody that gets PIP or DLA would automatically be eligible for one of your social tariffs?

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

- There is little we can do about saving the planet when you put profit before anything else however I do think it actually upsetting that you keep advertising how to save water when this has been what you have always preached. I am sure us, paying customers have tried as many ways as possible to save water, as if you have not forgotten, we are paying for it. Unless you showed link between how much water we save directly affects profit. I believe you are in the pockets of private water companies and it would be useful to be transparent in your reliance on them. Could you answer this please?
- Private water companies and investors should be less greedy and more reliable in their investment in you. For example investors that invest in order to help whole communities drive down their cost of water, like more of a subsidy in return, their businesses look good and are seen as a moral company or individuals. I don't think there is much you can do to stop sounding so patronising in trying to get us to save water. Yes individual people can be less greedy and wasteful surely but to change these habits, we have seen, this involves making people feel positive they are part of something that is happening on all levels. Less greed reflected back at us, inspired and hopeful, this surely needs to be mirrored by investors.
- Welsh Water has existed since 1989 so 34 years ago. Peter Perry, you were Operations Director from 2006, Managing Director from 2017 and you've been CEO since 2020. The company is now officially lagging behind. There has been insufficient investment in infrastructure This has resulted in continuing environmental disaster through the release of untreated sewage for at least a decade, including regular illegal releases in the last 5 years. In a recent meeting with the Senedd Climate Change, Environment and Infrastructure Committee, you attempted to mitigate this illegality by saying that it wasn't done in an underhand way. With all of this this being on your watch for at least 17 years, what's gone wrong?
- I really would like you to try and use your ability to reach a mass audience to dissuade people from using wet wipes as much as possible. Wet flannels or soft cloths are much preferred by babies, in fact enjoyed rather than using a wet wipe which increases their

susceptibility to eczema and other conditions. I am sure that all your investors are not wet wipe producers and you won't be putting too many noses out.

- Asking as an individual and I am part of many groups that wish water was cleaner, especially concerned with leaking fertilisers and much more into the sea without any real responsibility and accountability ever being sought.
- I believe the current sewage plants were made in the 1800s. As the population has grown so much, do you have any plans to make these bigger to cope with all the extra waste, and to stop further overflows into the rivers?
- Why is the waste discharged into the rivers and sea?
- You mentioned in the minutes from the April 23 meeting that it will take billions and over 10 years to complete the change in storm over flow / waste water renewal in Wales. When is this work due to commence?
- You also mentioned that you are obliged to take action when enforced to do so by Welsh Government. Have they, or National Resources Wales enforced the infrastructure changes to bring to an end sewage discharge in the oceans and rivers yet?
- The eastern Menai Strait is one of the most important and productive shellfish aquaculture areas in the UK. However, Since the UK's exit from the EU and the single market only shellfish harvested from Class A waters (under the Shellfish Hygiene Regulations) can be exported to the EU which was the main market for this industry. The Shellfish beds in the eastern Menai Strait are class B (with a limited class A in one area) due to intermittent high levels of E. coli which are linked directly to rainfall events and the operation of CSOs both directly into the Strait and the rivers flowing into it. What plans do DCWW have to reduce the impact of CSOs on this important shellfish area and the local industry and jobs to help achieve a Class A status and enable the shellfish industry to export mussels to the EU again?
- When will the volume of water released from each treatment works and each CSO into the environment be known?
- How can two of Tenby's beaches be blue flag when raw sewerage is regularly discharged at Tenby?
- In 2005, 99% of rivers in Wales were "good or fair on the assessment for biological quality" (Glas report 2008). In 2017 "The number of treatment works failing to comply with environmental discharge permits has more than halved (3) compared to last year (8) and overall consent compliance at 99.47% ...equals our previous best ever performance" (Glas report 2016-2017) Now we learn that the Aberteifi treatment plant alone, between 2018 and 2023 discharged illegally on 1,146 days. Blue flags in Wales 2017 = 44; 2022 = 25. And Wales has 6 of the most polluted rivers in UK. Were the earlier reports true? Did this problem arise suddenly? If so, what is the major cause?
- You state that the worst c.100 storm overflows will be tackled in the next five years; and the remainder (of 2,300) by 2040. That would mean 2,200 in the 12 years from 2028-2040. This is an annual rate of sorting overflows 2028-2040 of about ten times the rate of each of the coming 5 years. Can you explain these figures, please?
- Can surfers have the same questionnaire? we swallow the most water of all water users. Can the link that Steve mentioned be sent out please?
- This is the proposed plan (regarding live data of CSO tracking), can you confirm this is still on track? Can you also confirm you will share this data with Surfers Against Sewage?

Section 2: Questions and Answers

Chair's opening questions

- **Welsh Water has a good acceptance level, people accepting that this is the kind of plan that is required and will impact that obviously with our audience tonight, but a fairly small proportion, only 15% saying it is going to be easy to pay so. Have you got this right? Have you got the right kind of support mechanisms in place to make sure that people can pay for it? We're still in a cost of living crisis.**
- **(Referencing slide 12) Hopefully people had a chance just to look at the bar graph, there's quite a jump up. We get to the start of 2025 and it's quite a little jump up there to the next level and then it's a slower phasing up from there to the end of the five year period. So have you got this right? Is this going to be affordable? And what's the reason for the phasing of the bill increasing quite the way you've put together?**

Response given by: Peter Perry – CEO and Mike Davis - CFO

Looking after those who are struggling to pay is a main priority for the company. Welsh Water has a track record of having one of the best provisions for social tariffs, not only in the water sector, but in the utility sector. We help around 140,000 customers with our social tariffs, including HelpU that virtually cuts their bill by over 40% and we plan to continue with that. The company contributes around £13 million a year at present to social tariffs which we plan to continue. One of the things we're hoping to do for customers on social tariffs in the next period is to cap their increases and not to lift them in line with inflation as we will for the remainder of the customer base. We've also just launched a scheme called Cymuned¹ - a scheme for those people who are on negative budgets so effectively if somebody has to go to a food bank they can get referred to us and we will give them a holiday payment where the charge is written off - we believe this is the first scheme of its kind for any utility.

There are a number of ways we're trying to smooth the future bills beyond 2030. You can put bills up steadily over the period, but you end up at the end of the five year period with the bill much higher than if you were to start it off steeper and keep it then at a flatter level. So it's the billing in 2030 is what we're trying to protect and minimise.

- **There are doubts about the plan about whether it's ambitious enough. You yourself I think have said as part of your submission that you've let yourselves down, you've let customers down, particularly in the area of leakage. And obviously, I'm sure we're going to talk a lot about storm overflows tonight when we come to that in the second part of the section, do you think the company has been ambitious enough? Whilst you're probably trying to catch up with history as it were in the lack of investment, do you think that this is bold enough to do it? To do that kind of catching up, at least in the next 5 year period?**

Response given by: Peter Perry – CEO

¹ <https://www.dwrcymru.com/en/cost-of-living-support/cymuned>

There are a number of challenges we face with an ageing infrastructure, since Glas took over the business in 2001 we've always invested the allowed regulatory allowances and more. In terms of the service targets that we have across the business, the clean business, the wastewater business, and the customer service business which the three MDs (Ian Christie, Steve Wilson, and Samantha James) here represent - we have gone through a rigorous process with our Board where there's been considerable challenge about the targets that we've put forward. We don't want to be in a position of having a plan and targets we can't deliver. Our plan is based on stretching but deliverable targets which will see a programme of investment of £3.5 billion, a 68% increase from PR19. We have done a significant amount of work with our supply chain to ensure they can deliver this investment programme.

This is a very ambitious plan, but it's a realistic plan that that sets us off on the journey of increased investment, which will probably take another 15-20 years after this period. The scale of change we're trying to bring about is a big step change to tackle long term challenges like climate change.

Water Quality & Supply

- **Your leakage reduction figures for 2025 to 2030 don't look very ambitious. How can you ask customers to save money if you're wasting water yourselves?**

Response given by: Ian Christie- Managing Director of Water, Asset Planning & Capital Delivery

I think we've got a very ambitious leakage target, a 10% reduction over five years is a lot of water. We've got about 900 people at the moment out there finding and fixing leaks and we will be investing £160 million on leakage reduction from 2025 to 2030. So we believe that balanced against the other priorities like drinking water quality and protecting public health it is the right amount of investment to put behind leakage.

- **Your current supply interruption figures are quite high at 44 minutes, so it's just a bit of information on how you even achieve 8 by the end of 2025, never mind the 4.5 minutes you've stated in your presentation.**

Response given by: Ian Christie- Managing Director of Water, Asset Planning & Capital Delivery

Over 30 minutes of that 44 minutes was down to the "Freeze/Thaw" event that we had that impacted the West and Mid Wales. If you take that out, we had about 14 minutes, which is down to our day to day performance. A lot of that was down to our large trunk mains, which will always be vulnerable, but a lot was down to what the asset health of our infrastructure and leak repairs. We've got one of the largest tanker fleets in the industry at the moment to provide temporary supplies while we do some repairs. One of the things we're going to do over the next few years is move those tankers closer to where we get the most supply interruptions so we can bring customers back into supply quicker. We're also investing £76 million in cement pipeline replacement to improve performance. With these in place we expect to be able to meet the 2025 target of 4.5 minutes.

- **If lead pipes are a risk to public health, is an ambition to be lead free by 2050 going fast enough?**

Response given by: Ian Christie- Managing Director of Water, Asset Planning & Capital Delivery

The impact lead pipes can have on certain vulnerable customer groups is taken very seriously. We're investing £15 million in the current period and in the next few years to start replacing pipes at a rate which we think is proportional to the rest of the investment plan. One of the difficulties we're having is identifying which properties have lead pipes. A lot of the homes we are currently tackling, when we dig down the pipes aren't lead so there's a lot of work to try and find out where this lead is. We are targeting the most vulnerable groups around schools and around childcare facilities first, so we tackle those who need it most, but we haven't had a lead failure on our network for nearly four years now therefore we are protecting customers through the treatment processes before water reaches customers taps while we take the time to replace customer-side lead pipes.

- **How quickly are Welsh water looking to roll out their smart metering strategy and how will they look to communicate with customers and address their concerns?**

Response given by: Ian Christie- Managing Director of Water, Asset Planning & Capital Delivery and Samantha James – Managing Director of Household Customer Services

We are targeting improving our metering coverage. We have one of the lowest penetration of metering in the water industry at the moment with around half of customers metered. This will be increasing to 79% of customers metered by 2030. This is a targeted programme at the water resource zones where we have less water available for customers going forward - predominantly in southeast and the Swansea areas of South Wales. This will start from 2025 but we're already starting to trial different types of smart meters now because the technology needs to fit the purpose. We've got 2000 smart metres we will be installing from January next year to pilot that technology to be used from 2025 onward.

We are about to get a team in place to start looking at the customer impact. We've identified the areas that we'll start with and we'll start getting the data from customers who are metered and who are not metered laid out on top of externally available data so that we understand what the impact is going to be. We understand this is a significant change for customers and we're not entering into this lightly. We'll work out how best to communicate with customers and that will be a combination of things. We'll be using our community presence to do that, and we'll be putting in place a team in those in those areas to help raise awareness of the changes coming their way. We'll be developing the technology so that customers can access this data easily and then there'll be the more traditional forms of communication in terms of sending people information in the post. Customers will be well informed ahead of the roll out of our metering programme and this will continue through the period starting 2025 as we continue with the programme.

Wastewater Services, Storm Overflows & Pollution

- **You mentioned in your business plan for 25 to 30 that you are improving 168 priority storm overflow areas in Wales. Is this all of them and if not, what percentage? How do we find out which areas you will be prioritising?**

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

We have 2300 storm overflows in total in our operating area, but what we are doing in Wales will follow Welsh Government's policy around tackling those assets which cause environmental harm, which means that we've got to go out and do survey work. We've surveyed around 800 or so of our storm overflows to look at which ones are causing harm. The first 168 identified as causing the most environmental harm will be the ones we invest in first and these are predominantly in Special Areas of Conservation rivers. We have around nine SAC (Special Area of Conservation) rivers, but five of them are failing water quality standards at the moment, the Wye, the Usk, the Cleddau and so they are high priority. Our programme will be to tackle those highest harm first, but our commitment is by 2040, we will have no harm from any of our storm overflows.

- **I was the BBC's environment correspondent in Wales in the 1990s and reported on huge investment in water treatment plants, which led to new Blue Flag beaches. Storm sewage overflows were recognised as a problem then and there was said to be a programme to eliminate them. Dŵr Cymru not-for-profit has not paid huge dividends to shareholders like the English companies. So why is the record on sewage pollution of rivers and beaches so terrible in Wales?**

Response given by: Steve Wilson- Managing Director of Wastewater, Business Customers & Energy and Peter Perry- CEO

We don't feel this is the case as if you look at our rivers: 44% of rivers in our operating area in Wales meet good ecological status and that compares to just 14% in England. We have 85% of our beaches meet the excellent European Blue Flag standard of water quality. But the question about why have we got less Blue Flag beaches? Well, actually that's not to do with water quality. There are other factors at play for why you have a Blue Flag awarded such as having lifeguards at the beach etc.² But what we're focusing in on is getting the excellent "Blue Flag" water quality. We have 84% meeting that standard and our goal is to keep that at that level and get any new designated beaches up to good water quality standard too.

Most - if not all - of our coastal discharges in Wales have long sea outfalls but if you look at the average number of spills from our coastal discharges, they are comparable with the best European standards. So the idea that our overflows on coastal waters after that big investment that was asked about isn't right, we don't have discharges onto beaches and as they're mainly from long sea outfalls which match European standards in the main.

- **Follow up question: Welsh water hasn't been having to pay huge dividends so should have made more money available.**

Response given by Peter Perry- CEO

We still generate a profit but the difference with Welsh Water is we retain profit for the benefit of customers. When the business was set up in 2001, our level of borrowing (or gearing) was at 93%. So what we've done is we've used that surplus to first and foremost to reduce our level of gearing, which is now at 58% and you'll see other companies in the

² [Criteria — Blue Flag](#)

sector coming under scrutiny because their levels of borrowing are very high. That level of gearing has put us on a very firm financial footing, so that's where some of the money has gone. But what we've also done, and it's broadly around £570 million of other "dividend", has gone towards reducing bills, accelerating investment and contributing towards the cost of social tariffs.. For example we've gone to parts of Cardiff where there was flooding risk that wasn't covered in the regulatory settlement and invested to reduce the risk of flooding - and we've done the same in Chester. We've also put a substantial amount of that money into dam safety where we have climate change risk. So all the surplus that's been generated by the Glas Cymru not-for-profit model has either gone into making the business more financially stable or reducing bills. We've actually made the same level of what you might call dividend as the other companies so from an efficiency point of view, we have operated sensibly and prudently. The big difference here is that money has been kept within the company.

- **I'd love to know what the metrics are for the reduction in the harmful chemicals and harmful substances that are going into our rivers up to the 2050 period. You must have a model, let's just choose phosphorus as an example, you must have a model that says this is how much phosphorus is going into the rivers today albeit estimate that says by 2040 by 2050 or even by 2030 actually, this is what we will be dumping into our rivers and coastline. Could you share that with us?**

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

We've got the source apportionment work for Phosphorus on our SAC (Special Area of Conservation) catchments (i.e. the designated rivers and undesignated streams and rivers that drain to them). We know how many kilogrammes a day of phosphorus is going into those rivers from our treatment works and we have a good estimate of what proportion is coming from our storm overflows. Storm overflows account for a small amount of the phosphorus - for example they account for only 1% or 2% in the Wye and the Usk but more on the Dee at around 10%³. We know how much phosphorus we need to remove in order to do our part in restoring these rivers to what are termed "near natural" state and our plan is to meet at least 90% of that by 2030 and then the remaining 10% we want to get out by 2032 in the following AMP (Asset Management Period) . That's targeted on tackling the bigger works first as you can imagine we have lots of small rural treatment works in the rural areas but we're going to start with the bigger discharges and work down to smaller sites later in the programme. Overall, we estimate nearly 700kg per day of phosphorus is getting into our freshwater SAC (Special Area of Conservation) catchments of which our sewage treatment works account for 180kg/day (about 26% of the total) and storm overflows around 21kg/day (around 3% of the total). By the time we complete our investment

³ Full details can be found on our website:

<https://corporate.dwrcymru.com/en/community/environment/river-water-quality/sac-rivers> and a summary is included in our Manifesto for Rivers: <https://corporate.dwrcymru.com/-/media/project/files/page-documents/corporate/environment/river-manifesto/english/manifesto-for-rivers---e-may-23.ashx>

programme at the end of 2032 we will have reduced our phosphorus contribution from our sewage treatment works to around 81kg/day.

We have and continue to invest in phosphorus removal at other sewage treatment works too. We have recently estimated the proportion of phosphorus removed by all our sewage treatment works across our operating area and forecast how we expect this to increase between now and 2050 which is summarised in the table below (this table was not presented at the meeting but has been added as an additional comment).

	2020 Baseline	End AMP7	End AMP8	End AMP9	End AMP10	End AMP11	End AMP12	2050/51
Reduction in phosphorus as a percentage of load discharged from treatment works pre P removal	55%	59%	67%	69%	69%	72%	74%	75%

In terms of our coastal discharges, the metrics we are using to focus on are about meeting bathing and shellfish water quality. Our focus is on supporting those standards and helping as many existing bathing waters as possible meet the highest Excellent classification whilst also helping newly designated beaches meet the standard. This will ensure that the percentage of beaches in Wales meeting Good or Excellent water quality does not deteriorate and that we can increase the proportion of our bathing waters up from the current 91.7% meeting these higher standards.

- **It was really good to see the amount of investment that's going to be going into tackling the sewage problem and just wondered how you're going to meet these environmental targets and the sewage overflow discharge targets without just relying on investing in building concrete tanks and how much of this investment will there be spent on nature-based solutions moving forward?**

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

We haven't put a specific number of sites going to be tackled by nature based solutions (in our plan), but it is a key theme of our plan to use that technology where we can. Our first pilot storm overflow using nature to treat the discharge is being built as we speak in Pontypool, Pont-y-felin. The key technique for getting our storm overflows down is to take the surface water out of the network and using SUDS (sustainable urban drainage system) as in our Rainscape approach. We've got a really good track record of doing this in Llanelli and the Gowerton catchments where it's the UK's biggest retrofit of sustainable urban drainage green infrastructure. Severn Trent are going to try and beat us at Mansfield, but at the moment it's still the biggest. We've done it at Grangetown, we've done it up in Llandudno and part of our plan is to look at delivering up to 10 to 20% of them using nature based solutions. The challenge is that the regulatory framework needs changing. Wales has different rules to England around how that is done and we've got to be mindful of that, but also the pace, the quicker we need to do this then the more we are likely to go to conventional storage solutions. In reality it will be a mixture we hope of grey but green and blue solutions as much as we possibly can to help us also achieve our carbon target.

- **Do you have a timescale for when we would see nature-based solutions being introduced?**

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

We've got a number of pilot schemes being built as we speak so that when we go into this period 2025 to 2030, we've got working examples of using nature based solutions to reduce storm overflows and to reduce phosphorus in rivers. We've got a list of candidate sites where nature based solutions can work and we will work with NRW (Natural Resources Wales) to try and get as many of those built using this technique over the five year period.

- **When will Welsh water stop breaking the law in terms of raw sewage releases into the sea?**

Response given by: Peter Perry- CEO

We have 36,000 kilometres of sewers, 840 Sewage Works, 2300 CSOs (Combined Sewer Overflow) and 2500 wastewater pumping stations. It is not a perfect infrastructure and we inherited this from 60 local authorities at privatisation. Therefore we have a huge infrastructure with few perfect records of the detail of those assets and we can still discover parts of the sewage infrastructure that we didn't even know were there. We're constantly being measured against our permit compliance by Natural Resources Wales and the Environment Agency and if we find an issue, we report it to NRW. With an infrastructure of the scale we are operating, we will find things wrong from time to time. We then agree a programme with our regulators, to get back into compliance as quickly as possible. So the idea that we're operating illegally and are content with that couldn't be further from the truth. But we are dealing with a massive infrastructure which is not perfect. We want to progressively make it perfect but for the scale of the infrastructure and the age in places that is going to take some time.

- **Is the quality testing and reporting regime for water released into the environment fit for future purpose?**

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

This is the responsibility of Natural Resources Wales to look at the receiving water quality, but all of our environmental permits, often have a requirement for us to do quality checks. There's certain levels of performance we have to hit, particularly on our wastewater treatment works and the goal here, and a lot of that investment, is so that we can tighten those performance standards down to reduce the amount of Phosphorus, solids and ammonia going into the receiving water courses.

One thing we are doing differently, which I did mention compared to England, is this enormous environmental impact assessment of all our storm overflows. Collecting that environmental impact data, understanding the water quality up and downstream of our storm overflows is something that we are doing ahead of any of the other companies and that data will be being shared with Welsh government, with Natural Resources Wales, with key stakeholders and will be using that to help target to get to a point where our storm overflows cause no harm to the environment.

- **I'm a regular outdoor swimmer, so I really rely quite heavily on the Surfers Against Sewage app, which is very helpful because obviously it tells me when there has been a discharge**

and then I can be sensible about if I swim underwater or if even if I want to go in. I do like to swim in Barry and Penarth but unfortunately I can't ever seem to find out if there's any information on discharges further than Llantwit major so really it's just how do we find this out as a member of the public?

Supplementary question from the Independent Chair:

Peter Perry (CEO) has used the phrase a couple of times to now about being open and transparent and I think we're living in an era of open data. How are you going to open up more of your data and be more transparent and provide more of the data that is available to you to customers, including people who want to swim?

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

To date, real time warnings for beaches we have provided through Surfers Against Sewage. The other key ingredient needed is a beach manager which is usually provided through a local authority. That is why certain beaches have had those warnings and others haven't. But from January next year (January 2024) we will be going live with real time warnings for all the designated bathing beaches in Wales, all the non-designated bathing beaches and rivers where swimming groups, water using groups, have told us over the last 12 months that they use and access the water. We've done a huge survey talking to as many of the swimming groups that we could that we could reach out to with a large online campaign and we got over 1500 responses⁴.

Many of our 2300 overflows are in very rural areas whereby with mobile phone signal in Wales, communications aren't the best so we're looking at rolling that real time warning for all storm overflows out by 2025. But from January next year, all the places where people tell us that they are accessing the water and swimming will have that real time warning.

- **Follow up question: Can I just ask how are people able to tell you where they swim? I haven't seen, as a member of the public, that question being asked is it, how is it accessible to people?**

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

We conducted, during the summer, a survey. We reached out to the various swimming groups through the Blue Tits Organisation, the various swimming groups that we knew were around at the coast like the Wales triathlon service and we promoted it on online on our own website. We got about 1500 answers but there is a mechanism when that goes live, if other people say here's a bathing water which I am currently using that isn't on that warning that we can add to it, but we wanted to focus first and foremost with the areas where we know that that people are accessing the water. At the moment there's around 30 to 40 bathing beaches in Wales which we provide that data through to Surfers Against Sewage. This will extend that to around 300 places across Wales⁵.

⁴ Findings of this survey can be found here: <https://corporate.dwrcymru.com/-/media/Project/Files/Page-Documents/Corporate/Environment/Open-Water-Swimming-Survey/DCWW-Open-Water-Swim-Survey-Report-2023-04.ashx>

⁵ You can find more about your local bathing water classification, other aspects that may impact bathing water quality and sampling data on NRW's website [here](#).

- **I'm interested to hear from both the water quality perspective and the issues around wastewater. What assumptions are sort of being made really on the understanding that PFAS chemicals that is likely to become a much bigger issue in the coming years that seems to be indicator from Europe and the States anyway, and just what assumptions Welsh Water have made really on that subject, accepting it's a very complex space.**

Response given by: Ian Christie Managing Director of Water, Asset Planning & Capital Delivery and Steve Wilson- Managing Director of Wastewater, Business Customers & Energy

We are sampling for PFAS in drinking water which is based on a risk based sampling programme. We haven't detected any levels that are of concern yet, but that won't make us stop looking. One of the biggest things that we were going to have in terms of a challenge moving forward is just increasing lab capacity and the cost of doing the sampling. If we do start to see PFAS levels that are of a concern and above the limits that are provisionally being set, we will then look in the future at additional treatment where necessary, but at this point in time, we're not seeing anything that concerns us yet.

On the wastewater side, it's a similar background programme of sampling wastewater discharges. We are not doing all 800 treatment works. We're doing a sample set of those into the rivers and again using some of the figures from the World Health Organisation as a benchmark line to tell us how we detect things but there's a strong belief that this is also concentrated in sewage sludge. We have agreed to monitor our sludge centres to understand the levels there because the sludge in Wales is recycled to agriculture.

- **Follow on question: Do you expect there to be a difference in standards coming forward with EU and the US seeming to be being very aggressive on this subject.**

Response given by: Peter Perry- CEO

Yes, Tony Harrington, our Director of Environment is heavily linked into the European water industry through a group called EurEau ([European Federation of Water Services](#)). In Wales, unlike England, I believe is likely to retain, and rightfully I would say European standards and adopt new standards. All this is being looked at the moment through EurEau and through other academic organisations, to try and get on the front foot with forever chemicals and PFAS, because there is every chance that the legislation will tighten and what we need to do is see that in our forward plans. This is in Welsh Water 2050 so that we can get on the front foot to be able to deal with it in terms of investment either on our drinking water estate or on our wastewater infrastructure.

- **What are your plans to reduce the amount of phosphate in the river Dee to safe and naturally occurring levels of 50 ppb and how will you ensure that these plans are successfully maintained?**

Response given by: Steve Wilson – Managing Director of Wastewater, Business Customers & Energy

We've carried out a source apportionment exercise on the River Dee where we look at where all the phosphorus is coming from and broadly the wastewater discharges on that

river are accounting for around 38% of the phosphorus. Storm overflows, it's around 10%⁶. It's one of the highest coming from Storm Overflows. So we've built into our asset investment plan a number of schemes on the river Dee to reduce the amount of phosphorus going into the river. We've voluntarily accepted and worked with Natural Resources Wales to voluntarily tighten our permit from the biggest single discharge into the River Dee, which is at Wrexham, our five Fords wastewater treatment works. Having a tighter standard will reduce the amount of phosphorus going in but we're looking at investment going up the river at Bala, at Corwen, at Gresford and a number of sites along the river to tackle our portion of phosphorus. We are doing a modelling exercise at the moment looking at the drainage network in Wrexham and Chester to see what we can do to reduce storm overflows where they are having a nutrient impact as well as a water quality impact. So we have strong plans to get the River Dee back into compliance around phosphorus.

- **My main concern is over the quality of the tests of wastewater. My day-to-day job is I test a lot of water around an aquarium, and I know that how you test for things can make a huge difference. An easy example would be a tributary into a river, in very clean water and would be right next to a testing site and you could test the tributary instead of the mainstream of water and obtain false great results. Is there any way that you can kind of make sure that that isn't happening with GPS?**

Response given by: Steve Wilson – Managing Director of Wastewater, Business Customers & Energy

You're absolutely right that the position of a sample point matters. So when it comes to bathing waters, the sample points that we're working on are the designated sample points that Natural Resources Wales have determined to be the best point on those bathing waters to get the right representative sample for where people are active in the water. Clearly people are going kayaking or sometimes surfers might be going further out, but the sample point is the optimal place for where people will be which is carefully controlled. The good thing about our source apportionment work and all the work we've been talking about tackling phosphorus and river water quality is that we are measuring the impact coming out of the pipe into that watercourse at that point. The model is very, very accurate at getting that bit right. We welcome and we are working with a lot of citizen scientists who are out sampling rivers also. We're confident that the targets that we are tackling really will improve river water quality. This plan is trying to get over 750 km of river improved in Wales by delivering these impacts and we will go back in and measure after that investment to make sure that they have had the desired impact.

- **When is untreated discharges into water going to be stopped completely? Also, the pace at which the storm overflows will be tackled your presentation suggested there's a far higher rate of addressing this problem in the latter years (of the 5 year period), which you**

⁶ Full details can be found on our website:

<https://corporate.dwrcymru.com/en/community/environment/river-water-quality/sac-rivers> and a summary is included in our Manifesto for Rivers: <https://corporate.dwrcymru.com/-/media/project/files/page-documents/corporate/environment/river-manifesto/english/manifesto-for-rivers---e-may-23.ashx>

could say because you tackle the hard ones first so they take longer or it could be that you're very optimistic about potential in the future?

Response given by: Steve Wilson – Managing Director of Wastewater, Business Customers & Energy

There are a number of very good reasons why we've decided to go for a harm approach as opposed to just a spill number approach, and we need to look at the infrastructure. As Peter said, it's imperfect. Our drainage network and our sewer network was built as a combined system to take the rainwater off our roofs and roads as well and the storm overflows were built in to prevent houses from flooding. We've got one of the lowest levels of internal sewer flooding, where sewage backs up into people's houses, in the industry despite being in the wet part of the UK. And that is because of that large number, 2300 of storm overflows and we've got 3.3 million people, Thames Water have around 400 storm overflows for, 15 million people so you can see our network is quite different. If we were to tackle it so that they were all removed, the figure is £14 billion⁷. We have to dig up every single street and separate that rainwater and in fact in many communities, not only every street, we've got to dig up everybody's garden to get to the downpipes coming off the roofs to tackle that water to take it out of the network or to have a separate system. So our goal is to reduce the impact, the harm, and therefore we're not going to eliminate them completely, but we're going to get them to a point where there is no measurable environmental impact by 2040. The pace of that is a combination of when you start this process off, you're trying new techniques, they tend to be a little bit more expensive, the more practise you get, the lower the unit cost can be, the more you can deliver for the same amount of money and also we're collecting that data still. We've only sampled around 800 of those so as this increases we'll get a much truer picture. We're having to extrapolate on that data set at the moment but it will have to ramp up to achieve this by 2040 and you look at the numbers we're spending in the period 2025 to 2030 we will have to go another order of magnitude up again in the period 2030 to 2035 and then 2035 to 2040. But we've got to make sure that this is affordable for customers and deliverable. The supply chain to be able to provide all the solutions to do this also needs to be in place as well and so we've tried to make sure that our plan balances the affordability and deliverability as much as our ambition and pace to try and tackle it and so that's how we've tried to balance that off.

- **Follow up question: Is it feasible/plausible for you to be planning for dealing with these at 10 times the rate in the last years of this plan, 2028 to 30 and the following ten years as in the imminent five years, if most organisations can't deal with that sort of scaling up. Or is it fanciful thinking?**

Response given by: Steve Wilson – Managing Director of Wastewater, Business Customers & Energy

We're making a step up in this five year period from where we are now to 2030 and then we step up again. We could not go from where we are at the moment where we're tackling around 10 storm overflows, straight to the maximum so we are going to deliver 100 in the

⁷ The range of £9-14bn is based on Welsh Water's own estimates, however, Welsh Government has published a report which notes a similar range which can be found here: <https://www.gov.wales/sites/default/files/publications/2023-10/storm-overflow-evidence-for-wales-report.pdf>

next period and then we need to get up into the 300/400 hundreds in subsequent AMP periods. We estimate that to get that harm piece reduced we will need to be spending around £1 billion pounds on storm overflow reduction in that last 10 years. So it's about ramping the capacity of the organisation and the supply chain to be able to support us delivering that.

- **Follow up questions from the independent chair: Help people get a handle on how harm is measured? How will people know whether you're achieving what you're setting out to do here?**
- **What is it that is going to stop you from making the kind of massive jump in progress that you're talking about? What might be the one or two top things that will stop you from making the kind of progress that you, and clearly the people on this call, want to make?**

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

Our harm measure is using the same methods for assessing if the river is meeting good ecological status and therefore it can support fish and invertebrates and otters and the like. We're also applying the same methodology at a local storm overflow level, is that having an impact on the water quality by measuring the discharge and what the water quality is downstream of that storm overflow.

One of the big challenges to deliver this is as I said, where do we take that surface water out from? That is what is the cause of the storm water and the storm overflow operating: it's all the rainwater running off roads, roofs etc and we need local authorities and local people to get involved in that process because that rain water, if we're taking it out of the sewer network, has to go somewhere. It has to get into the river and the water course uncontaminated with sewage. That is the goal. And that means working with local authorities and with local land owners to make sure that we can achieve that. If we want to do that using nature based solutions, we need a real partnership approach with a number of stakeholders to allow that to take place because that usually involves more land to be able to do those kind of solutions rather than just putting a bigger pipe in under the road.

- **I recently received an e-mail from our friends at Extinction Rebellion. A good environmental campaign group. And they're saying, and my question to you is, why should your customers not withhold their payments of their water wastewater bills?**

Response given by Peter Perry- CEO

I think if you were dealing with an organisation that didn't do its best to put every penny we've ever had allowed into investment in the environment, I kind of get it. No money has gone to shareholders from this organisation, it's always been retained for the benefit of our customers and the environment. We have always delivered on the commitments that we've had to do in every regulatory review because the idea that we have a free hand to spend money where we like isn't right. We agree our investment programmes with government and then the regulators and they monitor us delivering those improvements. So it isn't as if we've frittered this money away. In every price review there are things called regulatory outputs, but in every price review period when we have had the outputs given to us or

required of us by law from our regulators and government, we've always delivered them⁸. Our investment money has been spent where it should have been and we can demonstrate that. If we're going to improve for new standards, we're going to have to have additional investment to do that. Our revenues come from our customers, so there's a very simple explanation that if we don't get revenue in, we can't invest in our infrastructure at the rate we would like. To summarise, money has been retained in the not-for-profit model, we've always delivered on our regulatory outputs and we need that investment because the only place we can get revenue from is from our customers. There is no other source of income.

Environment, Climate Change & Net Zero

- **I live in Porthcawl where around 900 new houses are about to be built. Are Welsh Water informing planning authorities about what is required from proposed new building developments to minimise the impact of adding even more pressure to an already overloaded and broken sewage treatment system.**

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

In Wales, we've got two really useful bits of legislation here which help us. One is Welsh Water is a statutory consultee in the planning process. So planning authorities have to consult with us in terms of where these new plans are and we have the opportunity to review. We can make sure that we have the capacity to deal with that extra waste and if not, we can influence that and go back to the planning authorities, talk about time scales etc. for being able to do that. The second piece is that in Wales is the sustainable urban drainage (SUDS) systems, which are green infrastructure to take away rainwater. This water has to be dealt with separately in terms of using green infrastructure to deal with it and there are not the right connections of that water in Wales into the sewer network. But new housing in Wales does not add to that storm overflow problem as it is built with a separated systems for this rainwater. We work very closely with the planning authorities when they produce their local development plans, we're consulted and we talk to them about where we have capacity and need to improve which we can plan into this five year investment period. There are a number of growth schemes in our plans where we will be upsizing parts of the network and the treatment works to be able to cope with growth which, we know from talking to local authorities, is planned in our operating area.

⁸ NRW's Annual Environmental Performance Report:

<https://cdn.cyfoethnaturiol.cymru/media/696956/annual-environmental-performance-report-for-d%C5%B5r-cymru-2022.pdf>

Environmental Performance Assessment 2022:

https://assets.publishing.service.gov.uk/media/64ae96bf8bc29f000d2ccb7a/Water_and_sewerage_companies_in_England_-_environmental_performance_summary_graphic_2022.pdf

Ofwat's Water Company Performance Report: <https://www.ofwat.gov.uk/wp-content/uploads/2023/09/Water-Company-Performance-Report-2022-23.pdf>

- **The deterioration in river water quality has kept pace with the rise of intensive farming, particularly broiler chickens. Is it not a mistake to recycle phosphates through agriculture?**

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

It's a very good question and yes, the source apportionment work does point to rural land use, agriculture and we know on the River Wye that chickens are a really big factor. The sewage sludge recycling to agriculture piece is managed very carefully because we do not want to be in a situation where we are doing all this effort to take phosphorus out at our treatment works and then just be putting it back in the river a different way. So we control that in a very strict way in terms of the way we work with farmers, sample the fields, talk to them about crop types and manage the recycling of agriculture so that actually they do not need to use bought in fertiliser if they are using our product. It's also very slow release of that phosphorus, but we do lots of work to make sure that we're not spreading it on fields which are sloping down to rivers, we're making sure that there is adequate controls in place. This is very important to us because the alternative, if we do not take sewage sludge to agriculture, is that we will have to do something with that sludge - likely need to incinerate it - and the cost to our customers and the cost of society from a carbon point of view in terms of CO2 emissions of building great big incinerators to deal with that sewage sludge is also a problem. Therefore, making sure our recycling to agriculture route is sustainable, it does not add to that problem in terms of the phosphorus, and we work closely with land managers to make sure that it's tightly controlled is part of that mechanism. We are also closely policed by Natural Resources Wales and by the Environment Agency to make sure that our operation is not adding to that problem of nutrients in our rivers.

- **Is there any potential to harness methane from sludge prior to it being spread on fields?**

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

We have four sludge treatment centres in Wales where we actually do this, we call it advanced aerobic digestion. We pressure cook the sludge to kill any pathogens that are in it like E coli., any of those kind of horrible pathogens, and then we put it through digestion to make methane gas. 50% of that solid is destroyed in producing the gas so we have less to recycle and at three of those works, we use the gas to produce electricity. At the fourth site, which is Wrexham (Five Fords), we clean that gas up and we put that back into the gas grid as sustainable bio gas. We're looking at installing, in the next 5 year period, the same technique at Cog Moors Treatment works, which is in Barry, so that the people in in Barry could well be cooking on gas that actually 3-4 weeks ago, they were depositing down the loo.

- **Follow up question: How about atmospheric nitrogen bacteria? Essentially taking excess nitrates from the water straight into the atmosphere by using bacteria. Is that done at all?**

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

We're quite concerned about our fugitive emissions and some of those nitrogen emissions to air are more harmful than CO2 in terms of greenhouse effect. So what we're working on doing as part of our net zero plan in this next five years is to really tighten down on the amount of emissions from our wastewater treatment works, that nitrous oxide and the various nitrogen compounds can have a really bad impact and we are focusing on reducing those.

Affordability & Customer Service

- **Having read the responses given to many excellent questions asked at the April meeting early this year, the overriding impression given, especially by Peter Perry, is that Welsh Water does the minimum required to meet the statutory requirements placed on them and feel that it is enough. Where is the vision?**

Response given by Peter Perry- CEO

I think I would direct people back to Welsh Water 2050, which sets out that long term vision. We currently generate around 25% of our own energy uses. We're a business that spends around £60 million a year on energy so we're doing all we can and we are going to be 10 years ahead of the Welsh target on net zero carbon so we see this as ambitious. If I look at our dam safety programme, we have one of the biggest dam safety programmes to mitigate climate change of any water company in the UK. I think when it comes to social tariffs and when it comes to helping those who struggle, we have the biggest by proportion social tariff scheme of any utility, never mind any water company. So there are a whole host of areas where we can point to doing the right thing. The idea that river quality in Wales has deteriorated is incorrect as evidenced by the data Steve [provided earlier](#). We're actually improving our impact and we'll continue to do that. Our ambitious targets are focused on harm, if we focused on spill numbers, what would happen is you wouldn't see the increase in improvement of water quality. We've got a bold set of plans where we go beyond very often the targets that are set where we can, and that's based on a vision for the long term out to 2050. There is lots of ambition in this organisation to do things better than where we currently are.

- **Water rates in Wales are on par with those charged in England. Welsh Water is a not-for-profit company administered by Glas Cymru. The English water companies are privatised and have shareholders to whom they must pay dividends. Welsh Water does not have shareholders or the requirement to pay out dividends. Why then are customers in Wales paying similar rates to English customers. Where is our money going? It can't be to invest the company's infrastructure as we do too much to suffer sewerage discharges into our rivers into our beaches. Please justify the charges for Welsh Water services, including salaries and bonuses for Glas Cymru staff.**

Response given by Mike Davis- CFO

We've got high bills because of the legacy of investment in the wastewater side of the business. But since 2001, we have the second lowest bill increase out of any company in England and Wales. The only one that's lower is South West Water and that's because they get a £50 customer subsidy from the UK Government. So the performance on bills since under Glas ownership is second to none. We've returned over £500 million over that 20

years, £290 million of it on reducing bills, particularly in the later years through the social tariffs structures and ensuring that those who are struggling to pay their bills. There's another £290 million which is going on additional investment, which we are not recovering from customers through bills including £100 million that we announced this year on tackling river water quality. We've retained an awful lot of that profit to reduce a level of indebtedness. We have the best credit rating in the industry, which means we can borrow money much cheaper than anybody else, and that's saving on the interest which is a cumulative effect. It means that we have more value that we can return to customers and we can maintain that prudent level of indebtedness which is essential.

- **The social tariffs and the extra help schemes are immensely valued, certainly by our beneficiaries, they really do make a difference and personally it's my dearest wish that other utility companies would do half as well. One question I have around the HelpU tariff is that in order to be eligible for it, people have to be on a means tested benefit. Now one of the things that really concerns us as a charity is that, particularly, one of those benefits, pension credit, is vastly underclaimed. The older People's Commissioner for Wales estimates around £200,000,000 of pension credit went unclaimed in Wales just last year. So what are your thoughts on helping people whose incomes are low enough to be on a means tested benefit, but for whatever reason are not actually part of the benefits system, don't have an active claim?**

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

Thank you for your really kind comments about the support that we provide. What we really try to do is encourage people and signpost them to the resources that make them aware. So, for example, we've partnered with *Turn To Us*. We have their benefits identifier on our website to help people identify the support that they're entitled to because we want them to get that and we've got our specialist support team here in Cardiff that are trained to have those conversations. So it's not a "you're not entitled", it's "you should be getting this (benefit), come back when you've got it" and we try and maintain that contact. There's also the point about people being on low incomes but are not entitled to support and so this is why we've introduced our Cymuned⁹ fund because we recognise the face of water poverty and destitution has changed and it's less about income levels now, it's more about household costs, which is why we've introduced that scheme. We identify those people that have negative budgets and that's taking people up to household income levels of about £50,000. So that's quite a big step from where we have been with solely with the introduction of Cymuned.

- **I work for Scope, the disability charity. I head up our utility and energy support teams. So we've talked with a lot of water companies and as it currently stands, whether or not you're aware, there is a price tag of being disabled of approximately £975 per month per household, where one adult or child is disabled. A lot of our customers aren't classed as being on a low income. They might not get means tested benefits, but we know that their household costs are a lot more expensive than a non-disabled household. Would Welsh Water be prepared to pledge something that some of the English water companies are doing, which is from the next financial year anybody that gets PIP or DLA would automatically be eligible for one of your social tariffs?**

⁹ <https://www.dwrcymru.com/en/cost-of-living-support/cymuned>

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

We approach this in a slightly different way to the English water companies. So whereas lots of companies will take into account PIP or DLA when they are assessing overall household income, we exclude it and we won't treat that as income. So we are more generous in our application of WaterSure which is for people that should be on a meter, but because they have a condition or they have large households we will reduce the bill. We have our specialist support team so they can best understand customer situations and give advice which might be you're better off on a meter and on a meter you will be entitled to one of these additional support arrangements. I think we have to look at this in the round and not just pick off what's the best of each individual company and think look at how companies do it holistically.

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

- **There is little we can do about saving the planet when you put profit before anything else however I do think it actually upsetting that you keep advertising how to save water when this has been what you have always preached. I am sure us paying customers have tried as many ways as possible to save water, as if you have not forgotten, we are paying for it. Unless you showed link between how much water we save directly affects profit. I believe you are in the pockets of private water companies and it would be useful to be transparent in your reliance on them. Could you answer this please?**

As a company that has operated on a not-for-profit basis since 2001, any financial surplus that is generated is reinvested to improve services, to finance our social tariffs for customers who struggling to make ends meet, or to lower bills more generally – this amounts to over £570million since 2001. We do not have shareholders and therefore do not pay out dividends like some other companies.

Reducing water usage is important for a number of reasons including environmental benefits (less water abstracted and chemicals used to treat the water) and financial benefits for customers (reduced cost of treating and distributing water etc). Whilst we ask customers to be more water efficient we also have challenging targets reduce leakage on our own networks and also to improve the way we operate the network in order to lower the amount of water we take from the environment. We publish details about leakage and per capita consumption performance in our Annual Report (published in July each year) as well as our Interim Results Report (published in November each year).

- **Private water companies and investors should be less greedy and more reliable in their investment in you. For example investors that invest in order to help whole communities drive down their cost of water, like more of a subsidy in return, their businesses look good and are seen as a moral company or individuals. I don't think there is much you can do to stop sounding so patronising in trying to get us to save water. Yes individual people can be less greedy and wasteful surely but to change these habits, we have seen, this involves making people feel positive they are part of something that is happening on all levels. Less greed reflected back at us, inspired and hopeful, this surely needs to be mirrored by investors.**

We agree entirely that we can have a greater impact by working with customers in an inclusive way and we never intend to be patronising in the way we communicate with customers. Whilst it is very difficult to engage effectively with every one of our 1.3m customers, we try to focus our engagement activities in a number of ways – for example, where we know we have a higher risk of leakage or water supply issues during summer months, we'll target our activity on certain areas. Where we know that some customer groups could be more likely to be affected by an issue such as sewer blockages (e.g. new parents who may be unaware that it is not appropriate to flush nappies down toilets) we will target that group specifically. We will also work with partner organisations to target financial support to those who need it most. Our Water Resilient Communities project is a place-based scheme that targets areas of higher deprivation and areas with lower-than-average take-up of our social tariffs. Working with the local community we develop localised plans for improving water efficiency, increasing take-up of our social tariffs, provide debt advice, increase recruitment opportunities with the company and work with local schools and groups on wide range of initiatives that bring wider social benefit.

- **Welsh Water has existed since 1989 so 34 years ago. Peter Perry, you were Operations Director from 2006, Managing Director from 2017 and you've been CEO since 2020. The company is now officially lagging behind. There has been insufficient investment in infrastructure This has resulted in continuing environmental disaster through the release of untreated sewage for at least a decade, including regular illegal releases in the last 5 years. In a recent meeting with the Senedd Climate Change, Environment and Infrastructure Committee, you attempted to mitigate this illegality by saying that it wasn't done in an underhand way. With all of this this being on your watch for at least 17 years, what's gone wrong?**

Since Glas Cymru took over Dwr Cymru as a not for shareholder business in 2001, we have always delivered our allowed environmental investment and respective outputs in each five year regulatory period since then. Since 2001 through our model, we have also used over £2bn to reduce our level of borrowing and now have one of the best credit ratings and lowest levels of gearing in the sector. Also linked to our model we have added a further £500m of investment into our assets above allowed regulatory levels – in other companies this would have left the business as dividend. In terms of our sewerage infrastructure (over 36,000 km of sewer, 830 waste water treatment works, 2,500 sewage pumping stations, 2300 storm overflows), we have a programme of reviewing environmental permits and with assets of this scale and age it is inevitable that we will discover issues of potential non compliance. We have a strong track record of immediately reporting openly and transparently any shortcomings to our regulators. From this we then agree a programme of rectification on a prioritised basis with them. Coastal and river water quality in Wales is amongst the best in the UK and in actual terms in 2022, we had the second lowest level of pollution incidents of water companies in Wales and England. For the avoidance of doubt we want to do better and are investing over £830m between 2020-2025 in our sewerage assets and plan a further £1.4bn in the next regulatory period 2025 – 2030.

- **I really would like you to try and use your ability to reach a mass audience to dissuade people from using wet wipes as much as possible. Wet flannels or soft cloths are much preferred by babies, in fact enjoyed rather than using a wet wipe which increases their**

susceptibility to eczema and other conditions. I am sure that all your investors are not wet wipe producers and you won't be putting too many noses out.

Our work over the past 10+ years to dissuade customers to not flush but bin wet wipes has largely failed, as has that of all other UK Water Companies. As an alternative approach we have worked with Welsh and UK Governments on moving to ban the sale and production of wet wipes which contain plastics – the worst offenders for blocking sewers and polluting the environment. The final (we hope) consultation regarding whether the UK Government should add wet wipes to the list of single use plastics for banning will be completed shortly and we expect to hear its outcome early in 2024.

- **Asking as an individual and I am part of many groups that wish water was cleaner, especially concerned with leaking fertilisers and much more into the sea without any real responsibility and accountability ever being sought.**

The control of fertilisers into rivers and seas via run off from agriculture is something that NRW and Welsh Government are addressing and whilst we understand your concern around the impact of this, they may be able to give a more comprehensive answer. Other pollutants are also of concern, such as 'forever' chemicals and microplastics and as a company we are involved in a wide scale investigation programme looking at these within our discharges and what technology can be utilised to remove them.

- **I believe the current sewage plants were made in the 1800s. As the population has grown so much, do you have any plans to make these bigger to cope with all the extra waste, and to stop further overflows into the rivers?**

The majority of the sewage works are not old and in particular, a significant proportion of the wastewater treatment works for the population we serve were installed as a consequence of the Urban Wastewater Treatment Directive and associated UK Regulation between 1995 and 2005. These works are required to meet the permits set by the environmental regulators NRW (Natural Resources Wales) and EA (Environment Agency). To ensure they meet their permits for the long term and can accommodate growth, we work with Local Authorities in understanding their development plans and expand the works accordingly.

In some areas our sewerage system, the conduit of pipes that transport the wastewater to the treatment plants, are old and there are some pipes that do date back to Victorian times. Our [Drainage and Wastewater Management plan](#) identifies areas where growth pressures mean that we need to increase the capacity of these pipes over the next 25 years. We know that some of our overflows operate more frequently than they should, and therefore we are assessing those to understand the reasons why and how we need to upgrade them and the associated infrastructure to reduce the reliance on them.

- **Why is the waste discharged into the rivers and sea?**

As late as 1995, sewage was discharged untreated into the marine environment at many coastal sites, including major settlements around Wales. With over £1billion of investment since then, and more to follow, all such discharges which are the responsibility of the Company are now treated using multiple levels of treatment including disinfection. This has

secured over 91.7% of our designated bathing waters as ‘good’ or ‘excellent’ the highest standard to be achieved in 2023. When it rains heavily relief valves on the sewerage system known as storm overflows are activated, and discharge diluted and screened sewage rather than flood people’s homes. These are regulated so as not to impact on designated bathing waters, and at some sites signage is in place to warn bathers that such discharges are being made. In early 2024 this warning information will be made via a new IT platform giving bathers at both designated and non-designated sites warning that storm sewage is being released.

- **You mentioned in the minutes from the April 23 meeting that it will take billions and over 10 years to complete the change in storm over flow / waste water renewal in Wales.**

When is this work due to commence?

Our investment plan is being based upon Welsh Gov policy, which is to tackle the harm from storm overflows, removing that “harm” (which is defined by removing any pollution which might cause the river to not meet good ecological status or the beach to meet excellent) by 2040. It is not to stop all storm overflows, as that would cost over £14bn in Wales¹⁰.

Our work to understand the improvements required on storm overflows commenced in 2020 and we have recently started work to improve a small number of sites, at a cost of £42m. Other programmes such as our £115m improvement programme to protect shellfish waters in the Loughor Estuary near Llanelli and include the largest retrofitted sustainable drainage (RainScape) programme we have undertaken were delivered in AMPs (Asset Management Period) 5 and 6 (2010-2020).

- **You also mentioned that you are obliged to take action when enforced to do so by Welsh Government. Have they, or Natural Resources Wales enforced the infrastructure changes to bring to an end sewage discharge in the oceans and rivers yet?**

The Better River Quality Taskforce has developed an action plan¹¹ that will ensure storm overflows do not cause environmental harm and in October 2023 NRW issued revised guidance¹² on the classification and accepted standards for storm overflows. Welsh Government issued a report in October 2023¹³ which explored the costs of various options for storm overflow spills to customers.

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¹⁰ The range of £9-14bn is based on Welsh Water’s own estimates, however, Welsh Government has published a report which notes a similar range which can be found here:

<https://www.gov.wales/sites/default/files/publications/2023-10/storm-overflow-evidence-for-wales-report.pdf>

¹¹ BRQT Action Plan: <https://www.gov.wales/wales-better-river-quality-taskforce>

¹² New NRW guidance not yet publicly available

¹³ Welsh Gov Report: <https://www.gov.wales/sites/default/files/publications/2023-10/storm-overflow-evidence-for-wales-report.pdf>

improvement plan to eliminate the harm from storm overflows will continue to 2040 at a cost of several billions.

- **The eastern Menai Strait is one of the most important and productive shellfish aquaculture areas in the UK. However, Since the UK's exit from the EU and the single market only shellfish harvested from Class A waters (under the Shellfish Hygiene Regulations) can be exported to the EU which was the main market for this industry. The Shellfish beds in the eastern Menai Strait are class B (with a limited class A in one area) due to intermittent high levels of E. coli which are linked directly to rainfall events and the operation of CSOs both directly into the Strait and the rivers flowing into it. What plans do Welsh Water have to reduce the impact of CSOs on this important shellfish area and the local industry and jobs to help achieve a Class A status and enable the shellfish industry to export mussels to the EU again?**

Our assets draining to the Menai have been improved over several investment cycles including new treatment at Treborth and disinfection of the treated effluent from several sites. The standard that we targeted was based on long standing Ministerial guidance to achieve class B shellfish flesh and there are well established design standards and modelling techniques for ensuring that storm overflows do not prevent shellfish beds from meeting this standard. However, as described, we understand that shellfish exported from the UK to the EU must now meet class A and we have included investment in AMP7 and 8 to improve storm overflows further. Unfortunately, the science behind faecal coliform concentrations in the water column and those in shellfish at the level required to meet class A are poorly understood and there is some uncertainty if these measures will achieve the standard without tackling other non-sewerage sources.

In AMP7 we will be upgrading our Bangor Beach Road Sewage Pumping Station at a cost of around £15m and in early AMP 8 we will be upgrading the storm overflow at Treborth wastewater treatment works at a cost of over £12m.

- **When will the volume of water released from each treatment works and each CSO(Combined Sewer Overflow) into the environment be known?**

There is no plan for flow meters on every storm overflow, nor on treatment works treating less than 50m³ per day.

- **How can two of Tenby's beaches be blue flag when raw sewerage is regularly discharged at Tenby?**

Bathing waters are classified as Excellent, Good, Sufficient or Poor on the basis of the concentration of Escherichia Coliforms (EC) and Intestinal Enterococci (IE). These standards are set out in the bathing water regulations which, in turn, were developed from WHO (World Health Organisation) guidance. The IE and EC concentrations required to meet even the minimum bathing water quality standards are set at a level that reflects a very low chance of becoming ill as a result of swimming with the safest being those that are classed as Excellent. The four designated bathing waters nearest Tenby all met the highest Excellent classification in 2023 - Penally, Tenby South and Castle Bay Tenby have met Excellent since 2019 and Tenby North improved this year from Good to Excellent for the first time since

2020. Excellent bathing water quality is just one criteria of the criteria that beaches have to meet to be awarded a Blue Flag and the decision to apply for the award rests with the local authority (bathing water quality being only one of a larger number of qualifying criteria). Many more bathing waters in Wales have bathing water of a sufficient high standard to qualify for the award if the other criteria are met and the local authority chooses to make the application.

- **In 2005, 99% of rivers in Wales were "good or fair on the assessment for biological quality" (Glas report 2008). In 2017 "The number of treatment works failing to comply with environmental discharge permits has more than halved (3) compared to last year (8) and overall consent compliance at 99.47% ...equals our previous best ever performance" (Glas report 2016-2017). Now we learn that the Aberteifi treatment plant alone, between 2018 and 2023 discharged illegally on 1,146 days. Blue flags in Wales 2017 = 44; 2022 = 25. And Wales has 6 of the most polluted rivers in UK. Were the earlier reports true? Did this problem arise suddenly? If so, what is the major cause?**

The early reports were correct 45% of rivers in Wales meet good ecological status but there are around 10% that are poor. Blue flags are down to councils paying for life guards and toilets. More than 73.4% met excellent water quality in 2023. The main source of phosphorus in Welsh freshwater SAC (Special Area of Conservation) rivers failing their water quality objectives is agriculture. The Aberteifi wastewater treatment works did not meet its full flow to treatment target but there was no measurable environmental impact.

With regards to Bathing Waters, the water quality within Wales is good. All designated waters are monitored for water quality within the bathing water season and given a classification according to water quality. In 2017 80 of the 104 designated bathing waters were excellent, 1 was poor, and the remainder met the minimum guideline standard; in 2023, 80 of the 109 designated bathing waters achieved excellent, 2 newly designated waters were poor and the remainder met the minimum guideline standard.

It must be noted that Blue Flag accreditation is not just a water quality matter, there are a number of other influencing factors which decide whether a Local Authority / Beach operators want to apply for Blue Flag Status, including environmental management, environmental education and safety.

- **You state that the worst c.100 storm overflows will be tackled in the next five years; and the remainder (of 2,300) by 2040. That would mean 2,200 in the 12 years from 2028-2040. This is an annual rate of sorting overflows 2028-2040 of about ten times the rate of each of the coming 5 years. Can you explain these figures, please?**

We are just tackling those causing ecological harm by 2040 which is around 800 of the 2,300 storm overflows. It would cost around £14bn¹⁴ to tackle them all.

¹⁴ The range of £9-14bn is based on Welsh Water's own estimates, however, Welsh Government has published a report which notes a similar range which can be found here: <https://www.gov.wales/sites/default/files/publications/2023-10/storm-overflow-evidence-for-wales-report.pdf>

It is important to note that some of our storm overflows have already been improved to meet standard such as those required in Bathing Water and Shellfish waters. Around 13% of our storm overflows do not discharge, with a further 15% discharging 5 or less times per annum.

- **Can surfers have the same questionnaire? we swallow the most water of all water users. Can the link that Steve mentioned be sent out please?**

This survey was completed in summer and is now closed for responses.

- **This is the proposed plan (regarding live data of CSO tracking), can you confirm this is still on track? Can you also confirm you will share this data with Surfers Against Sewage?**
Yes, we are on with this project against the timings given. We won't be sharing data directly with Surfers Against Sewage but all customers will have open access to the system once live.