

MINUTES OF CUSTOMER CHALLENGE GROUP

Meeting held on Monday 24th April 2017 at 10:30
Thomas/George Rooms, Ty Awen

Attendees: Peter Davies (Chairman); Daniel Davies (Welsh Water); Mike Davis (Welsh Water); Nigel Draper (Valleys to Coast Housing); Lee Gonzales (Consumer Council for Water); Danielle Ingleson (Welsh Water); Louise Jackson (Welsh Water); Ruth Jenkins (Natural Resources Wales); Delyth Jewell (Citizens Advice); Rachel Lewis-Davies (NFU); Lia Moutselou (Consumer Council for Water); Anna Riddick (Welsh Water); Alun Shurmer (Welsh Water); Dimitrios Xenias (Cardiff University);

In attendance: Joanne Murphy (Welsh Water);

Apologies: Craig Anderson (Warm Wales); Jean Francois Dulong (Welsh Local Government Association); Carly Jones (WEL representative); Rachel Lewis (Age Cymru); Steve Ormerod (Cardiff University & Chairman of IEAP); Russell Todd (WCVA)

1. Welcome and Chair updates

- Peter Davies welcomed all members to the meeting. 8 meetings of the Customer Challenge Group have now been held since the group reformed.
- Peter Davies will be attending a meeting of the Board on 5th May and will circulate a report on the business planning process from the CCG perspective to be presented to the Board in May. CCG members are asked to review and comment prior to the Board
- The issue of whether a facilitator was needed to support report writing was discussed. It was helpful in the PR14 process although the person responsible for writing the response would need to attend most meetings going forward.
- The Triangulation report will be considered at the June meeting. This will be a key document in the PR19 process drawing together the various sources of customer evidence. The CCG will have a key role in both assuring the process and bringing an independent perspective on the interpretation of the evidence.
- Dimitrios Xenias is undertaking an assurance review for the CCG on the customer research processes and will bring this to the CCG September / November meetings

2. Welsh Water 2050 (Mike Davis/Alun Shurmer)

- The consultation document forms a central part of PR19. It will set the long term context within which the 5 year business plan will sit, setting out a 5 year programme in the context of the 2050 objectives.. A wide range of external expertise has been engaged in preparing the report.
- The WW2050 consultation document will be modified at the beginning of 2018 to reflect the feedback received from stakeholders, customers and the CCG

Challenges and opportunities - 8 trends have been identified:

- Demographic – more households and an aging population.
- Environmental – 80% of land used in Wales is agricultural. .
- Climate – 1 in 40 year storms seem to now happen every couple of months. Flooding is now a much higher risk.

- Economy – previously dominated by very heavy industry which has now gone. Local economic drivers are an opportunity.
- Infrastructure – challenges are supply chain failure, running out of phosphates to treat water, cyber threats.
- Policy and Regulation – an opportunity in Wales with devolution/regulations of water industry.
- Customer Expectations – customer accepted a lot more 33 years ago than they will do today.
- Protecting Public Health – contaminations – drugs used in some areas including statins and hormones. Heavy metal recycling etc.

Strategic Responses

A number of potential strategic responses have been considered with the consultation giving different scenarios for customer response

- SR1 – Safeguarding clean drinking water by working with nature
- SR2 – Enough water for all
- SR3 – Improving the reliability of drinking water supply systems
- SR4 – Protecting our critical water supply assets
- SR5 – Achieving acceptable water quality for all customers
- SR6 – Towards a lead free Wales
- SR7 – Addressing our 'worst served' customers
- SR8 – Employer of choice
- SR9 – Leading edge customer service
- SR10 – Smart water system management
- SR11 – Using nature to reduce flood risk and pollution
- SR12 – Cleaner rivers and beaches.
- SR13 – Protecting our critical wastewater assets
- SR14 – Playing our part in combating climate change

Notes and actions from discussion:

Noted any reference to precision farming is missing from the document. Technology and innovation will vastly change how we farm and have implications for use of water eg hydroponics

The involvement of farmers in long term change will be critical given their critical role as land managers and the potential for new approaches post Brexit, including payment for ecosystem services. The Catchment Management work needs to be based on a participation model - a meeting at RWAS was suggested

There needed to be a greater specific focus on affordability and impact of increasing vulnerability across customer base.

It is almost impossible to predict nature of change and importance to ensure flexibility of responses to disruptions cause by new technologies

Important to ensure fairness so sectors are not disadvantaged, eg the urban/rural divide.

It would be useful to see indicators for where there is sole DCWW responsibility for responses or where working collaboratively. There is also scope to explain more about what DCWW has control over.

The group felt the information needed to be summarised. Noted that a lot of the information is covered in the executive summary but can be made stronger.

Concerns raised that there is no link between the customer preference research and WW2050. Noted this would be included when the triangulation work is completed.

CCG members will be involved in a stakeholder workshop taking place on 2nd May to launch the 2050 consultation. CCG members and other stakeholders will have opportunity for 1 to 1 sessions on the report.

The CCG will have opportunity to review the responses to the consultation to inform the challenge framework for PR19

3. Customer Research Proposal (Alun Shurmer)

- Blue Marble presented their research plans and discussion guide for domestic customers. A series of focus groups (3 hour sessions) with customers have been arranged (9 groups in 5 locations). The overarching objective of these sessions is to understand customer views on WW2050. 12 customers will be recruited to attend each session and CCG members are invited as observers
- Alun outlined the plans for summer events and social media will be used for high level feedback on prioritisation exercise.

4. Any other Business – Date of Next Meeting

21st June 2017