

Thursday 19th March

15:00-17:00

Royal Welsh College of Music and Drama, Room 2.03, North Road, Cardiff CF10 3ER

Attendees:

Peter Davies (Chair), Craig Anderson , Mari Arthur (Cynnal Cymru), Duncan McCombie (Yes Energy Solutions), Phil Marshall (CC Water), Geraint Weber (Natural Resources Wales, phoned in), Matthew Williams (FSB) , Bethan Harvey (Cynnal Cymru, secretariat), Dimitrios Xenias (Cardiff University)

Apologies:

Jean-Francois Dulong, Lee Gonzalez, Rachel Lewis-Davies, Richard Garner-Williams, Liz Withers, Steve Ormerod

NRW Update on National Environment Programme

Programme aims to meet both statutory environmental requirements and policy priorities. 3rd version produced on 28th March (NEP3) –was sent to Welsh Government and Ofwat .

Document is not restricted but is a large spread sheet so NRW are working on a summary which will be better for sharing with wider stakeholder audience in coming weeks.

NRW have set out their requirements to the company with regards to environmental targets:

- Be transparent on working out the cost and potential impact of the programme on bills
- Facilitate discussion on how requirements can be phased over future business plans as not viewed as affordable for PR19.
- Push to be as ambitious as possible. Concerned by a lack of ambition from Welsh water – creating issues for future generations and customer bills in future.

PM asked about projected costings for programme compared to current AMP and GW could not quote figures but stated that the programme would have to be delivered over next 2 AMPS.

NRW believe it is down to the company to talk with key strategic stakeholders with CCG to be included. This process has been a ‘closed shop’ in the past & future work should be transparent and participatory.

PD – **Action** – go back to company following CCG to reflect Geraint’s points and facilitation of a joint-facilitated discussion on process – CCG + stakeholders

GW raised the point that dense material on MoS and Customer Driven targets are coming out rapidly and can’t be reviewed easily within time available.

He also discussed the environmental targets and whether they could be re-framed to talk about reducing environmental impact. He had a general concern around framing of MOS and context

PD Action request a summary of all the environmental elements of research

GW Action – to email with specific points of concerns re framing of MOS and share summary of NEP when complete

PD Action- Note received from DCWW today summarises MOS and evidence base – to be circulated to CCG

Review of MoS and Targets Reviewed for the Business Plan

The full document of MoS has been circulated. PD has tried to go through each MoS from presentation, summarize in paragraph and then begin to collate comments that CCG have begun to make.

Action CCG must respond to commentary around the measures – are targets stretching enough? CCG members to review MoS and respond on measures as felt relevant. Responses to be sent to company in advance of next meeting

Action PD – to ask the company for specific summary of research findings for non-household customers

Specific points raised to be incorporated in responses on MOS:

DM – in **slide 17** they show the qualitative summary cannot be tied back to research done. Were the customers given the three options at once like we were? The use of Comparatives could change customer responses.

DM – **Slide 35** – leakage – regional variations – customer/community business can't do one size fits all -no proof that they are responding to geographical variations.

DM – **Slide 52** – Flooding – external to a property – is that linked to land-based pollution? See there is an element by where NRW would prosecute but nothing to state that the sewerage is being put on land – pollution.

DM -**Slide 89** - worst served customers – needs to include those that have a long lasting complaint and not just current definition. Does the current definition capture everyone it needs to capture? Should there be rewards in relation to worst served customers?

DM - **Slide 125**- Resilience- snow was flagged up beforehand and still we were underprepared.

Challenge to the company– plastic v pipes – how resilient is your new network compared to old one for extreme weather like that?

Responses to the Vulnerability Strategy

Initial Response to the strategy is going back to Sam James next week - time-frames are more lenient on this as the strategy document is not being launched until the Autumn. A number of responses have been received from “expert groups” that will be summarised in the response

The minute from previous meeting to be amended to read that the CCG felt the strategy was a “good starting point”

CA 's Headline issues on Vulnerability Strategy

- 300-400,000 customers on vulnerable list a more reasonable target moving forward would be lower; say 140,000.
- Strategy does not reflect ambition of the company
- As a Not-for-profit they should be exemplar in focusing on the big issues over cost
- Data sharing – this has been mentioned but not talked about in a tangible way- needs to be priority group and bring it forward as an ambition for the company

PD has written to Hannah Blythyn who is willing to meet and will include discussion on Welsh context and Government has a role in implementing an across-the-board approach to poverty that can link across utilities.

DM –customers are interchangeable with bill-payers and therefore households in the strategy. Needs to be set-out more in strategy. *People or properties?*

DM also raised concern about false numbers e.g. 65+ counting as Vulnerable on register. How many vulnerable people are there under certain categories and what is the base they are using?

MA on lessons from Rhondda Fach: Still working on creating a blue-print to capture a proper reporting method and how it can be replicated. This holistic approach to building community resilience will be a core element in the approach to supporting customers in vulnerable circumstances

Action – MA to provide CCG with a summary of progress and learning from Rhondda Fach for final CCG report

Action – PD to circulate summary of initial CCG response next week

Social-tariffs

The CCG has yet to see results on social tariffs research but will be considered in May

Options Research on Bills

Key questions on bill make-up have gone out on acceptability testing quantitative stage 1 – options given to customers, which Board will consider at the beginning of May.

The CCG discussed the initial research findings and agreed there was no clear mandate for option B

Action: PD will reflect back discussion to DCWW and the CCG position that there is not sufficiently clear-cut support for the higher bill based on those figures

PM – **raised the importance of the CCG understanding** PAYG ratios- transparency on how they are used to ensure that costs are not being unduly moved to future payers

MW raised the question of sample size as has had running concern on all surveys - Could we be reassured on relevance of sample sizes **Action** – PD to confirm

The CCG discussed the plans for final acceptability testing as provided by Anna (to be circulated to CCG). The CCG was grateful for advance warning of the timetable to contribute to the drafts and made two comments on the proposals

- The nature of the on line panel being used for the core online survey – does this include the Online Customer Panel established by the company?; how do you intend to minimise the self-selecting nature of on line surveys? In this discussion the CCG also asked to be briefed on the current status of the company's online customer panel.
- The proposed “in community” survey while being welcomed as a means of reaching out to seldom heard customers, would not include the opportunity to secure views from non-household customers. We would encourage opportunity to specifically engage small and medium sized business who may also be seldom heard.

Action – PD to raise these points in the follow up letter

2. Report on Research Review Undertaken (DX)

Report was only circulated yesterday so insufficient time to assess and report back. The aim is to submit formally to the company with a covering letter from the CCG.

The Executive summary still needs to be finalised and the CCG are asked to highlight important points they would wish to be stressed.

Thanks registered to Dimitrios from the CCG for a piece of work that will form an important part of the evidence base.

CCG –Action to respond with any points within the week

PD – **Action** -send report to company and get responses

3. Outline Framework of the CCG Report for Ofwat

CCG report must be submitted by September 3rd. PD will be meeting with DCWW Board at the beginning of June and on the 24th August

Guidance documents for the report:

- aide memoir from Ofwat
- CCG Chair's Meeting

Suggested Format:

- PD would like suggestions on headlines/ chapter heads that can be used
- DX reporting on CCG Chairs Meeting in Jan – a summary of the main points that were expected to cover was discussed. Ofwat agreed that this is a good summary to work from but can add anything unique to Wales. Ofwat don't have a preference in terms of length and format
- All bullet-points under Annexe 1 of the Aide memoire need to be covered.
- DM – Can the report be tied to the 18 strategic responses if this is to be the basis of the DCWW plan? Importance of linking framework to the DCWW plan for ease of reference.
- PM – plan gets divvied up across different people in Ofwat so cross-reference between company data and CCG views would be useful.
- Less can be more – we need enough detail to demonstrate challenge .
- Can be simplified further - Red, amber, green – challenges and levels of agreement
- MA – report a summary then evidence base as appendix?
- Mixed success on hiring an external writer in last PR so responsibility lies with chair and secretariat with support of group for producing the report
- CCWater happy to assist on review of track record over current AMP period against PR14 plan as an indicator of future performance
- DX happy for anything to be used from his report

The Board paper from the CCG last year presented 6 strategic challenges which were based on Ofwat guidance and discussions of the CCG. The meeting agreed that that the CCG should ask the company for a response as to how these challenges have been incorporated in the business plan process. This should link with the attendance of the CCG chair at the June Board meeting.

Action – PD to write to the company asking for response on the strategic challenges

Action - PD and MA to produce headline chapters/ framework for the report and come out to CCG for comment.

Any other Business

PD stressed the importance of the non-domestic customers and suggested a meeting with MW on this matter.

MW Action – to look at diary and get in touch with Peter

CA – mentioned that there is no access to Blue Marble Research on Vulnerability. Secretariat will re-circulate and put on Trello.

Important Dates and Future Meetings

Will need further CCG only meetings in order to finalise approach to report

9th May - Final acceptability testing – CCG will receive the drafts in terms of questionnaire and stimulus

May 16th – Morning at Swalec Stadium and afternoon slot on catchment management with Welsh gov.

May 17th – Wales Water Forum Conference - commercial event

22nd May – Acceptability docs finalised

24th May – 15th June - final field-work testing

June 4th – 1 hour conference call - PM 14:00-15:00

July 9th – Report Session. Will need to come back with CCG – perhaps can conference call.

August 14th – ‘tick off’ session. Check-list to be circulated on everything that needs to be done by this point **Action**: secretariat.

Action all - Check diaries and come back with suggestions for closed sessions.

Action - Secretariat to put all members in everyone’s calendars and e-mail with invite.

Peter meeting with members who are unable to attend even though they are not posting on Trello e.g. Age Cymru, NFU: 1 to 1 with age Cymru next week. Keen to engage especially on the bereavement aspect of vulnerability- ‘Say it once’.