

## **Dŵr Cymru Welsh Water Customer Challenge Group**

### **Terms of Reference**

*Helping to ensure that current and future customers are at the heart of the way Dŵr Cymru Welsh Water operates.*

The role of the Customer Challenge Group (CCG) is to provide independent **challenge, scrutiny and advice on the:**

- quality of the company's customer engagement and involvement
- extent to which the results of this engagement are reflected in the company's decision making, business planning and operations.
- the return of value to customers from the "Glas Advantage"

#### **The Customer Challenge group will provide:**

- independent reports and recommendations, through the Chair, to the Glas Cymru Board
- an annual independent commentary on the Performance Report of the company including delivery of outcomes and service improvements set out in current regulatory business plans
- independent reports and assurance to Ofwat as required for the next price review - PR19
- public reports on its operations via the company CCG web page, including an annual report of the work of the CCG.

#### **The Customer Challenge Group aims to ensure that the company:**

- understands and responds to domestic, business and other non-household customer needs and requirements
- uses a wide evidence base to develop an understanding of customer needs, requirements and willingness to pay
- explains its obligations, key business priorities and investment plans well to its customers and stakeholders
- fulfils the customer expectations in the delivery of the business plan and communicates its performance to its customers and interested parties
- identifies the distinct needs and requirements of different types of customers, specifically recognising the priority needs of vulnerable customers
- has long term strategic objectives, future business plan and investment proposals takes into account the wellbeing of future generations.

- supports where possible collaborative opportunities and joint capital investment in order to ensure an integrated approach to community resilience
- involves customers in decisions related to the return of value to the customers from the “Glas Advantage” fund
- enables a two way dialogue focused on educating and informing customers, as well as seeking feedback
- embeds customer led development across the business with clear leadership at Board level
- business plan delivers a balance of economic, social and environmental benefits for current and future generations

**The Customer Challenge Group will:**

- have an independent chair appointed through Glas Cymru’s Independent Appointments Panel
- consist of independent members with relevant expertise
- hold meetings 4 times a year to align with the business reporting timetable in order to provide independent commentary on company performance.
- Set a work programme, meeting and reporting schedule to meet the Ofwat requirements for PR19
- Involve the statutory regulators and draw on other specific expert input and challenge as appropriate to contribute to relevant agenda items.
- draw on the expertise Consumer Council for Water, share practice and experience with other Customer Challenge Groups, and other customer reference groups from across the Utilities
- ensure a close operating link with the company’s Independent Environmental Advisory Panel
- hold meetings at different company locations and participate in visits to build understanding so as to improve the quality of challenge
- respect the confidentiality of information provided when necessary
- seek the expert input of its members in specialist discussions as well of external experts as and when required
- review its performance annually linked to the production of an annual report detailing its work

**The Company will support the operations of the Customer Challenge Group** through providing

- all the necessary information to ensure the CCG understands its obligations, priorities, business plans and that customer requirements are being met through its operations
- recognition of the role of the CCG in its business processes, internal communications and specifically with contractors undertaking work on its behalf with customers
- senior level representation at all CCG meetings
- appropriate opportunity for the Chair to attend and present reports from the CCG to the Board

- responses to recommendations and reports from the CCG
- a secretariat who will work to the Chair in arranging meetings, circulating agendas, briefing materials and preparing minutes
- a Customer Challenge Group page on its web site, which will hold details of the group, reports of meetings and other updates as agreed with the Chair  
<http://www.dwrcymru.com/en/Customer-Service/Your-Company-Your-Say/CCG.aspx>
- a budget to cover associated operating expenses for the Group

**The membership of the CCG will :**

- be appointed by the Chair in consultation with the company and CCG members
- be independent of the company and appointed on an individual basis,
- provide it with a wide range of knowledge and experience of the issues affecting customers within the Company's region
- possess knowledge in areas including customer advocacy, community engagement, customer research, behavioural change, business planning, environmental concerns
- include representation from the Consumer Council for Water and a debt advisory body
- will normally have 12 members in addition to the Chair, but will also have powers to co-opt additional members to ensure its effectiveness. The appointments will be for the period of the PR19 review to 2020.

**The Chair of the Customer Challenge Group will be responsible for:**

- ensuring the Group meets its responsibilities to Welsh Water customers and to Ofwat
- developing working relationship with the company CEO, Senior Executives, Chair and Board
- recruitment and involvement of members of the CCG
- the efficient operations of the group and participation of group members
- engaging with external networks to inform the work of the group
- representing the group at meetings with Ofwat, CCG Chairs, CCWater, The Wales Water Forum, Welsh Government PR19 Review Group, etc
- reporting to the Welsh Water CEO issues raised by the Group following each meeting
- providing a monthly update briefing to Group members
- preparing reports on behalf of the Group as required by the Ofwat PR19 process

**Quorum**

The quorum necessary for the transaction of business shall be five. In the absence of the Chair, the Chair may nominate a deputy to chair a meeting. If the Chair is unable to do so, the members may elect a Chair for the meeting.

Peter Davies Chair of Dŵr Cymru Welsh Water Customer Challenge Group

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