

**Dwr Cymru Customer Challenge Group meeting
September 30th
Draft Minutes**

Present – Peter Davies (chair), Mari Arthur (from 2-30pm), Dimitrios Xenias, Geraint Weber, Jonathan Cosson, Alun Evans, Lia Moutselo, Phil Marshall, Richard Williams, Roger Bassett-Jones, Clare Sain-ley Berry, Lee Gonzalez

Alun Shurmer, Anna Riddick, Eleri Rees, Daniel Davies Dwr Cymru

Apologies: Noreen Blanluet, Rachel Lewis-Davies, Solitaire Pritchard, Nigel Draper, Eifiona Williams,

1. Draft determination and Social Tariffs

An additional agenda item had been added to request CCG input on the issue of how DCWW could continue to fund social tariffs in the light of the draft determination.

Dan and Eleri set out the position that given the challenging nature of the PR19 determination indicated by the Draft Determination, the company would have to prioritise meeting its legal and statutory obligations during AMP7, as well as its financeability obligations, and that its ability to continue to support and expand social tariffs was in doubt.

Prior to the meeting, a paper had been circulated on proposed bill profile changes which had also been discussed at the CCG sub group on vulnerable customers. The company were also discussing with Ofwat proposed changes to the RCV run off rate which could assist in securing continued support for social tariffs

- Bill profile – proposals to amend the bill profile to allow a gradual reduction throughout the AMP would allow the company to apply an increase in cross subsidy while avoiding significant rises in bills for the average customer. The CCG accepts that this approach was in line with customer research which indicated that customers prefer a smooth bill profile. It will provide the company with options to support social tariff while avoiding volatility in bills. However, any proposals for changes to the cross-subsidy rate to support social tariffs should be brought back to the CCG.
- RCV Run rate proposals – Dan and Eleri presented proposals to increase the RCV run-off rate in order to support the company's ability to continue to support social tariffs during AMP7. This was currently being discussed with Ofwat who require a CCG view on the proposals. On the basis of what was presented to the CCG understand no customers would pay more as a result of the change to the RCV run off rate, as the extra revenue in this period will be passed directly back to customers to enable the company to continue to provide support for vulnerable customers. It was also noted that the RCV run-off rate proposed originally by the company in its

business plan was the lowest in the industry, and the proposed change would bring it more into line with other companies.

Action

It was agreed that a paper summarising the presentation would be circulated to the CCG for further consideration. CCG members could respond directly with any queries by end of play Thursday to allow as summary response to be submitted by the Chair by the end of the week

2. Customer Engagement Paper – presented by Alun Shurmer

AS began by highlighting some staff changes. Mike Davis would be joining the DCWW board as from 1 Jan when Peter Bridgewater, the current FD, would stand down. Eleri was taking over as Director of Strategy and Regulation and Visitor Attractions had now been added to AS's role as Director of Customer Strategy and Communications.

AS presented the paper setting out the forward strategy for engaging customers leading to PR24. This had previously been circulated to the CCG and had already been taken to the DCWW Executive Committee. The aim was to build on the work of the past 5 years, retaining the vital focus on customer trust, and apply the learning from the PR19 process. The paper set out 2 cycles of work
Years 1 & 2: opportunity to trial new ways of working and methodologies
Years 3-6: learning from this would be applied to focus in on the PR24 research programme

The CCG welcomed the paper and highlighted key points which reflected the CCG position from the PR19 process. Key points highlighted by the CCG were the importance of:

- Maintaining the focus on meaningful research with greater clarity on the ensuring there is a golden thread that connects to action (- the customer research debrief templates were welcomed in this regard.)
- Establishing and building longitudinal processes and reducing the peaks of research undertaken towards the end of the PR process
- Using the great range of customer data effectively from across the business
- Greater use of CCG sub group to support appointment and ongoing work of research agencies
- the role of customers in working with the business to deliver solutions that can meet business plan targets securing wider societal behaviour change. The potential partnership with Cardiff University's CAST research centre was welcomed
- External research should not be default, & priority should be engagement being embedded within normal activities.
- Building capability within the business in terms of customer engagement – how to feed ownership of this throughout company

It would be important now to set the work programme for the CCG to align with the customer engagement plan setting key meetings to coincide with critical points in the development of the strategy and establishing appropriate sub groups to work along side the process.

It was also agreed to establish a set of guiding principles at the outset that would reflect the Ofwat customer engagement principles but that would relate to the approach in Wales link to the Wellbeing of Future Generation Act. The Co-Production Framework developed by the Wales Coproduction Network can provide an important basis for these principles.

It would be important for the CCG to be fully engaged in Cycle 1 and to understand the company's operations with customers through a programme of individual, sub group engagement. It would also be helpful for the CCG to be informed through greater provision of appropriate data between meetings eg quarterly insight reports, performance data

Action -

- CCG members to respond with any further points on the customer engagement paper
- CCG to work with the company to establish a set of guiding principles which can be applied to the customer engagement plan and used to measure progress – meeting to be set up with Noreen to draft
- Research sub group to be established
- DCWW to provide a list of opportunities for CCG member engagement with the company eg visits, shadowing etc
- Quarterly insight reports to be circulated to the CCG
- Draft timetable for CCG to be circulated prior to next meeting of CCG in December

3. Stop the Block Campaign

An overview of past 6 years of the campaign was presented by Morgan Lloyd to address the issues causing c. 20,000 blockages and costing DCWW £7 million per year. Data gathered from a quarterly YouGov trackers since 2015 indicated that there has been increases in awareness and trust since the start of the campaign and a 15 – 20% reduction in blockages.

DCWW had developed new language and literature with the help of Verbalisation, a behaviour change agency, and the hard-hitting imagery on the leaflets circulated was welcomed by the CCG.. The next phase of the campaign would be on testing different techniques simultaneously in different areas, with rapid roll out of successful interventions.

The campaign would have 3 pillars:

- 1) A pan- Wales media campaign to keep issue on the agenda through TV, radio, digital and outreach campaigns.
- 2) Targeted campaigns for geographic hotspots and for certain demographic groups that were high users of wipes including enabling DCWW employees and those of partner organisations to act as advocates in own spheres of influence
- 3) Regulation and legislation – exploring if this is part of the answer with e.g. labelling at one end of the spectrum and banning outright at the other.

The meeting then discussed various avenues including working with industry, levies, the importance of imagery that depicts consequences of inappropriate disposal, making use of current public opinion around plastics within messaging and education that wipes can be recycled along with nappies.

The key to a successful campaign was to make it easy for households to do the right thing. Although the importance of preventative action in reducing use and addressing producer responsibility was emphasised the key message was to bin not flush. The complications caused by the fact that Wales had no consistent Wales-wide approach to handling such waste items was highlighted as being a factor that made this more difficult with some local authorities having different services for collecting disposable nappies etc

Action

Presentation to be circulated

PD to raise with Welsh Government re waste strategy
CCG to be updated on progress

4. Water Resilient Communities

Danielle presented the Water Resilient Communities programme. The programme is based on the successful pilot project run in the Rhondda in 2018 looking at maximising DCWW's potential positive impact in areas where major development work was taking place, in this case the refitting of a 23km drinking water pipe. The presentation set out the impacts of the pilot programme and introduced the two new project areas, Rhyl and Rhymney/Bargoed, which will become operational in 2020

The work would be aligned to the corporate strategies of the local authorities for both areas
Work to date had identified 2 new work streams working with social private landlords and business customers. DCWW were also exploring how to measure the social return on investment of the project.

Points highlighted in the CCG discussion:

- Debt – as this is not just restricted to vulnerable customers and could be looked at as a separate issue across other audiences
- The links to the PSB wellbeing plans were very important even if the Las were seeing the link to their corporate plans
- Links to IEAP especially the Rhyl project which is based on a catchment wide approach
- The scope for the programme to engage other key utilities/anchor institutions eg energy companies and develop a leadership role in Foundational Economy work
- Links transport – could look at own internal transport policies or laying on a community transport bus service for events.
- The importance of the lessons from these pilots being applied in other areas to deliver wider impact.
- It was recognised that this place based approach was acting as catalyst for change across the business.

Action

Arrange presentation to IEAP

Record examples of wider company changes resulting from the programme.

Provide Danielle with relevant contacts in Rhyl and Rhymney/Bargoed

5. Building Forward Work Programme for CCG

As previously discussed PD was keen to pin down 2020 meeting dates to tie in with key points in DCWW timetable/cycle for customer engagement and to build and associated CCG work programme. PD to liaise with individuals or small groups between now and Christmas to this effect. This would include 2 items previously mentioned:

- 1) Work around coproduction and principles for engagement to be led by CoPro Wales
- 2) Behaviour change and customer engagement

Next meeting

13 December meeting (am) likely to focus on Final Determination and this is likely to be a single agenda item meeting

AOB

CCW 13th Nov Stakeholder event; details to be circulated. CCG members are encouraged to attend