

*Darparu craffu, herio a chyngor annibynnol*  
*Providing independent challenge, scrutiny and advice*

## **CUSTOMER CHALLENGE GROUP MINUTES**

Tuesday August 14<sup>th</sup> 2018, Harbour Room, Baltic House, Mount Stuart Square,  
CF10 5FH.  
10:00-13:00

**Attendees:** Peter Davies (Chair), Mari Arthur (Cynnal Cymru, Warm Wales), Duncan McCombie (McCombie & Daughters Ltd); Lia Moutselou (Consumer Council for Water), Tom Taylor (Consumer Council for Water), Geraint Weber (Natural Resources Wales); Dimitrios Xenias (Cardiff University), Rachel Lewis-Davies (National Farmers Union), Richard Garner-Williams (Salmon and Trout Conservation), Bill Derbyshire (Environment Agency)

Secretariat: Bethan Harvey (Cynnal Cymru)

Apologies: Craig Anderson, Lee Gonzales, Steve Ormerod, Michelle Lewis

### **Welcome from the Chair**

The Chair welcomed all to the meeting including Bill Derbyshire who was able to be present via phone link.

This private meeting of the CCG was focused on the discussion of the draft report which had been previously circulated to members

The Chair set out the deadlines for the completion of the report. **The amended draft report will be sent back out on Monday 20<sup>th</sup> for comments by Thursday 23<sup>rd</sup>, allowing a final week for finalisation and production of the report to be submitted on Friday August 31<sup>st</sup>**

PD has a call booked with Ofwat on Sept 3<sup>rd</sup> and will be joining the company presentation of the business plan on October 3<sup>rd</sup>.

LM stated that she was halfway through her comments and would not be able to send them to PD until the end of Monday/Tuesday and her colleague Lee Gonzales would not return to work until the 28<sup>th</sup> August. CCW would provide a letter to be appended as an annex to the report.

GW also stated that he would not be able to get the final sign-off on the NRW annex until beyond the 24<sup>th</sup> August

PD indicated that although he intended to keep to the timeline he would be as flexible as possible in accommodating comments prior to submission

### **Drafting of Report**

As discussed when circulated, the document in question was an incomplete first draft that had been released in the hope that the meeting could generate as much input as possible to be captured and applied to the next draft.

### **Executive Summary**

PD has drafted an Executive summary which will form the starting point of the report and raise key issues that will then be explored in further detail in the main body of the report.

PD asked for comments on all points raised as part of the Executive Summary

Key points:

The report needs to avoid superlatives in descriptions. It is important to ensure that statements are backed by evidence which is referenced. A balanced tone for the report would be critical

The business plan was developed from bottom up so influenced by customer research as it developed. CCG had consistently called for a stronger narrative that demonstrated the process

Areas where the CCG had less input and areas where there were specific issues e.g. CCW stress on the inclusion of ODIs in final quantitative acceptability testing

CCW would send comments to chair on concerns over how systematic the triangulation process was.

CCW also asked that their preference for use of a Challenge log to be noted in the report.

The plan refers to “making a start” towards 2050 but “Is this plan big enough a step toward 2050?” was a key question. The company had circulated the steps to achievement of 2050 targets as agreed in July Board meeting.

There are key areas of challenge in relation to targets that need to be highlighted e.g. pollution incidents, water mains bursts, consumption targets & response to leakage where the ambition of the plan needs to be challenged

CCW raised points in respect of priority given to lead pipe replacement and alignment with Government strategy

The report needs to emphasise importance of WW2050 both in recognising the work of the company in establishing a comprehensive long-term perspective against WFG Act principles but also the need for clarity in the relationship between the PR19 plan and the 2050 objectives

It is important to consider the issue of affordability, will the financial increase of more people needing help be sustainable for the company? and to balance against pressure on ambition across other target areas

Important to note that DCWW cannot achieve their ambitions alone and that other organisations involved with vulnerability and poverty need to work with monopolistic businesses and share knowledge with other businesses so the customer gets a better service as a whole. The evidence on pace of change has been limited.

The NEP was still subject to final agreement – although WG had indicated that they were content – NRW were still concerned regarding ambition and the proposed phasing of spend across AMPs.

CCW stressed important to note that CCG hasn't been involved with NEP negotiations and the potential impact the results could have had on final bill profile.

The report also needed to include reference to company response to Blueprint environmental challenges.

(The engagement around NEP and environmental challenges needed to be part of the post report review involving IEAP).

The report needs to highlight the importance of nature based solutions and catchment management recognising there being vision in the company but needs drive to move away from ways of old.

The report needs to set out areas for focus going forward e.g. in developing customer engagement against the strategic challenges – in particular in embedding customer participation.

**The meeting also made a series of detailed points in respect of drafting of paragraphs in the Exec Summary. These would be incorporated into an amended Exec Summary and circulated within the next 2 days for further comment.**

PD thanked the group for the contribution and in advance for further input over the next 2 weeks & particularly Cynnal Cymru who would be coordinating the production of the report.

PD indicated that he would be reviewing lessons with the CCG and company following submission of the report. A schedule of CCG meetings going forward would be agreed with the company who also intended to arrange an opportunity to say thank you to the Group.



