Dŵr Cymru
Welsh Water

Linea
Fortran Road
St Mellons
Cardiff
CF3 0LT

Linea
Heol Fortran
Llaneirwg
Caerdydd
CF3 0LT

02920 740450
dwrcymru.com

Llyr Gruffydd MS
Chair of the Climate Change, Environment and Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

By email: SeneddClimate@senedd.wales

12th September 2025

Dear Chair,

I wanted to get in touch with you directly following an announcement of our transformation programme yesterday, designed to safeguard essential services, strengthen resilience, reduce costs and ensure that as much customer funding as possible is directed into frontline water and wastewater services, delivering the best possible value money for our customers. Yesterday's announcement confirmed that we plan to reduce our workforce by about 12% over the next 18-24 – up to 500 roles out of 4,000.

We briefed our employees of the changes prior to the announcement going public. We expect a reduction of 2-300 roles in the Phase 1, which we will be consulting on in the coming weeks, and expect a further 2 Phases with the remaining roles in due course.

As part of this programme, we are reviewing our entire cost base, including goods and services procured and the focus of the redundancies will be on driving efficiencies in back-office and managerial functions while protecting frontline services.

At a time when customers' water bills have increased significantly, it is only right that we look for every opportunity to keep our own costs to a minimum.

The transformation will help us reshape the company, enable greater use of technology and data and redesign processes and ways of working. These changes are intended to maximise efficiency so that every pound possible is invested in customer service, environmental improvements and critical network investment, while also ensuring the company remains financially resilient and sustainable in the long term.

This programme comes at a time of significant pressure across the water sector. Increased investment requirements, combined with recent credit rating downgrades, have underscored the need for decisive action. The restructuring will strengthen our ability to meet these challenges while continuing to deliver high-quality services for customers. The programme will also ensure that the business remains on a long term financially stable and sustainable footing.

We are committed to managing these changes with care and fairness and our clear priority is to reduce headcount through voluntary exits, retraining and redeployment wherever possible, in order to minimise the impact on colleagues.

Next month, Roch Cheroux, my successor as Chief Executive of Dŵr Cymru, will join the company before officially taking on the role in the new year. Following the announcement of our transformation programme yesterday, we are aware of a call from Committee Member Janet Finch-Saunders MS for Dŵr Cymru's new Chief Executive to come before the Committee, explain our plan and answer questions from committee members.

However, I just wanted to be clear that Roch has not yet joined the company and was not involved in the decision making of the transformation programme to date.

I would, however, be very happy to meet with you directly to discuss any questions you may have on this and will of course introduce you to Roch when he is post too.

Yours sincerely,

Peter Perry
Chief Executive
Dŵr Cymru Welsh Water