

Glas Cymru appoints 20 new members

Glas Cymru, the not-for-profit company that owns Dŵr Cymru Welsh Water, has appointed 20 new members.

The new members have joined the 28 already appointed and will extend involvement in the company and also help ensure that all areas served by Welsh Water are represented. This means that Glas Cymru has achieved its target of having around 50 members by the end of 2001.

Glas Cymru, which took control of Welsh Water in May this year, is not listed on the Stock Exchange and has no shareholders. Instead, members are appointed to carry out the corporate governance role normally done by shareholders in equity owned companies.

In reviewing the company's first half year at a meeting of members, chairman Lord Burns said: "Glas Cymru exists to provide high quality and good value services to Welsh Water's customers. We are pleased to have members committed to achieving those objectives. Our members are a valuable link between Welsh Water and its customers and we can draw on their knowledge of their communities and their professional skills and experience.

"We have made a strong start with a sound financial and operational performance since May. As a result we remain on track to deliver the targeted customer bill rebates, as announced at our company's AGM in July. These rebates, with the £41 million of additional investment we announced last month, demonstrates that Glas Cymru's ownership of Welsh Water is delivering real benefits for customers."

Chairman of the independent members' selection panel, Janet Lewis Jones, said: "Glas Cymru is a new and innovative structure for a vitally important business. Welsh Water is run for the benefit of customers, and members have an important role in corporate governance. As Glas Cymru has no shareholders it is the role of members to monitor the performance of the company, alongside investors, regulators, central government and the National Assembly of Wales. They must also ensure that the company maintains its focus of providing excellent service to Welsh Water customers at the lowest possible cost."

Members are appointed in a personal capacity and do not represent any organisation or interest group. They are also unpaid.

The members' meeting discussed key issues including the recent announcement that the company is to reinvest planned savings of £41 million. It will be spent on reducing the risk of sewage flooding of homes, further improving environmental performance at wastewater treatment works, improvements to drinking water supplies, and augmenting water resources in Ceredigion to support economic development.

Last month Glas Cymru announced half-year profits of £11.8m, which will be reinvested in the company to help achieve its aims of giving excellent customer service while keeping bills as low as possible. The company confirmed that it is on track to deliver customer rebates of £23 million by 2005.

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Enquiries to the Welsh Water Press Office On 029 2055 6140

Notes for editors:

1. Glas Cymru was formed in April 2000 for the sole purpose of acquiring Welsh Water. It is a company limited by guarantee, which makes Glas Cymru the same as any other company except for one important difference – it does not have shareholders. This means that all financial surpluses are retained within the business for the benefit of Welsh Water's customers. It also means that Welsh Water's only concern is its responsibilities as a water and sewerage company. Under Glas Cymru's ownership Welsh Water cannot diversify into new and riskier business activities.
2. The water industry everywhere is very capital intensive. The cost of financing Welsh Water's assets is its single biggest cost and already absorbs nearly a third of its revenues. With continuing high levels of investment to improve water supply and environmental quality – Welsh Water will invest a further £1,175 million over the current five year regulatory period to March 2005 – the cost of financing assets will continue to rise.
3. Glas Cymru has cut the cost of financing Welsh Water's assets. In May this year Glas Cymru completed one of the largest sterling bond issues ever seen in the UK to finance the change in ownership and to fund Welsh Water's continuing capital investment programme. The bond issue raised £1,910 million and was 70% over-subscribed. By funding Welsh Water's assets with long term, low risk bonds, Glas Cymru has cut Welsh Water's annual financing costs by around a quarter. This is a very significant saving and is worth some £50 million a year. In the first instance these savings will be used to build up financial reserves and protect the company and customers from unforeseen circumstances, such as a major drought, and to also improve Welsh Water's credit quality so that it can reduce its financing costs still further in the years ahead. Once the financial reserves are well established, part of the annual savings can be then be used to pay customer bill rebates. At its first Annual General Meeting in July this year, Glas Cymru announced a £23 million bill rebate target for Welsh Water customers.
4. Welsh Water is the regulated company that provides water and sewerage services to over three million people living and working in Wales as well as some adjoining parts of England. In all, Welsh Water has 1.2 million household customers and over 100,000 business customers. Welsh Water was a subsidiary of Hyder plc which was acquired by Western Power Distribution following a protracted take-over battle last year. Glas Cymru secured ownership of Welsh Water on 11 May this year.
5. Glas Cymru is a company limited by guarantee and has members instead of shareholders. Members do not receive dividends and do not have any other financial interest in the company. Members carry out the normal corporate governance role of shareholders at Annual General Meetings and, alongside bond investors, industry regulators and the National Assembly, they have a key role in scrutinising Welsh Water's performance against financial and other targets as well as water industry benchmarks for quality of service and cost efficiency. The Members of Glas Cymru hold an important position in supporting the Company's primary objective of providing high quality water and sewerage services at least cost to the communities served by Welsh Water.

The Members of Glas Cymru Cyfyngedig

(New members are indicated by highlighted text)

(Robert) Clive Barnby *Pontypridd*

Current chief officer of Pontypridd Rhondda CHC, Mr Barnby holds an MSc in Management and has 26 years experience in the health sector. He holds a number of voluntary/community positions.

Nigel Karim Beidas *Tregarth*

Now a stockbroker in Bangor, Mr Beidas is an investment professional of 20 years standing, and is a former Head of Equities for Confederation Life Insurance.

Martin Antony Blake *Llandeilo*

A registered safety/risk management practitioner, Mr Blake has just completed a 4-year doctoral degree in business administration with a focus on corporate governance.

(Charles) Brian Buckley *Swansea*

Now a freelance consultant in Water Science, Risk Management and Emergency Planning, Mr Buckley is a Chartered Chemist and Chairman of the Water Supply and Quality Panel of the Chartered Institution of Water and Environmental Management. Prior to being appointed Chief Scientist for South West Water in 1989, he was previously employed by Welsh Water for 22 years.

David Blunn *Pembroke Dock*

A former City analyst, Mr Blunn is a part-time peripatetic tutor helping small businesses in the community establish appropriate accounting systems. He is also an ex-farmer and a Mentor for Princes Trust (Wales).

Byron Frederick Butler *Bridgend*

A retired wholesale butcher, Mr Butler has been a JP since 1978, is clerk to Brackla Community Council and has been a member of the BSi Consumer Policy Committee since 1992. He was High Sheriff of Mid Glamorgan in 1995/96.

Brian Howard Charles *Penally*

Mr Charles retired as Managing Director of Welsh Water in 1996 having previously held a range of senior management positions in the company and in the water industry.

David Clarke *Penarth*

A retired Administration Director for a private company in Cardiff, Mr Clarke is a non-executive director of Glamorgan & Gwent Housing Association Ltd. He also holds a number of voluntary/community positions.

Jennifer Cole *Barry*

A retired National Officer for the Banking, Insurance and Finance Union in Wales, Ms Cole has lived in Wales for over 20 years.

Helena Margaret Crennell *Holywell*

A retired civil servant and former Senior Agricultural Advisory Officer to MAFF/ADAS. Mrs Crennell is an "independent person" for Clwyd CC in the investigation of complaints against social services. She is also an active member of RNLI and Flintshire Citizens Advice Panel.

(Alan) Digby Davies *Llansantffraid*

Mr Davies (BA, MSc) is water sector consultant who was previously on the staff of the World Bank and Thames Water, and has lectured at the Universities of Warwick, Manchester and Trinity College, Dublin, on the subject of improving the efficiency of public utilities.

Elsa Davies *St Clears*

A former teacher, Mrs Davies is currently the Chief Executive of the National Playing Fields Association and NPFA Cymru. She was also a member of the Secretary of State's National Curriculum Working Group on Design and Technology, and a member of two councils for National Academic Awards Boards.

Anthony Charles Ducroq *Newport*

Currently a Business Support Manager for the Princes Trust (Wales), Mr Ducroq is a former Welsh Water employee with over 30-years water sector experience having held roles involving administration, press/media relations and customer service.

(Christopher) Ogwyn Evans *Carmarthen*

A farmer, Mr Evans is County Chairman of Farmers Unions of Wales. He also represents over 200 dairy farmers on the Board of First Milk. Recently Mr Evans was awarded an Associateship of the Royal Agricultural Society of GB in recognition of services to agriculture.

(David) Roger Evans (OBE) *Carmarthen*

A self-employed farmer Mr Evans is a director and current chairman of Milk Marque. He has wide experience of business and corporate governance issues in the agricultural, land use and environmental sectors.

Huw Goronwy Evans *Goodwick*

A retired Head of Public Health & Environment with Pembrokeshire. CC, Mr Evans has over 30 years experience in environmental health matters. He is a Qualified Assessor for BSi ISO9000 and was chairman of the Milford Haven Environmental Steering Group (1995-1999).

John Lewis Evans *Abergavenny*

A retired solicitor, Mr Evans has a strong interest in the environment – he is chairman of The Elan Valley Trust, trustee of the Countryside Trust and a member of the Campaign for the Protection of Rural Wales, the Gwent Wildlife Trust and The Wye Forum.

Richard Mason Fletcher *Cardiff*

Currently a business analyst with IBM in the energy sector, Mr Fletcher holds a BSc and PhD in Environmental Sciences. He was employed in the Hyder group between 1993-2000 as an environmental consultant, Regulation Manager and latterly as the Year 2000 Project Manager.

Robert Gavin Gilchrist *Cardiff*

A Director of Keep Wales Tidy, Mr Gilchrist played an active role in launching the Green Seas campaign in which Welsh Water has had a prominent role. He is a civil engineer and fellow of the Institute of Water and Environmental Management with 30 years water sector experience.

Keith Gillard (OBE) *Rhondda*

A former teacher and chief examiner in geography, Mr Gillard is now Chief Executive – Mid Glamorgan Education Business Partnership. He is a member of the steering group for Welsh Water's award winning Cilyfnydd Education Centre.

Andrew Mark Herbert *Cardiff*

An employee of United Utilities (ex-Welsh Water), Mr Herbert is an electrical engineer and holds an MBA in Business Administration.

Richard Anthony Bruce Hibbs *Llandudno*

A consultant with a strong academic record, Mr Hibbs works for Integral Business Support Ltd providing advice and business support in the areas of operational research and procurement.

Gerald Hubert Holtham *Nantymoel*

An economist with 15 years experience in the City of London, Mr Holtham is currently Chief Investment Officer with Morley Fund Management, which manages investments valued at over £110bn. He is also a director of the Welsh Whisky Company.

Julia Horton-McNichol *Abergavenny*

A tourism operator, Mrs Horton McNichol also owns Naturiol, a business producing traditional products for sale in tourism related retail outlets. She is a past Member of the National Trust Committee for Wales. She sits on the Heritage Lottery Committee for Wales, and is a National Assembly appointed member of the Brecon Beacons National Park Authority.

(Cyril George) Maurice Hughes *Haverfordwest*

A retired transport and plant manager, Mr Hughes is a Councillor and Leader of Pembrokeshire County Council and a member of the Wales Local Government Association Co-ordinating Committee.

Julie James *Llandeilo*

A former Director of Personnel, Mrs James was awarded an honorary MBA in 2000. She is a Member of the Council of the University of Wales – Swansea, a member of the South West Area Board of the Prince's Trust and a member of Keep Wales Tidy.

Huw Teifon Jones *Port Talbot*

A chartered civil engineer, Mr Jones is Group Leader in the Technical services Department (Drainage and Coastal Management) of the City and County of Swansea. He has extensive knowledge of drainage and coastal management issues.

Joan Kostenko *Machynlleth*

Mrs Kostenco is a former hotel/restaurant proprietor and Welfare Rights Officer with Gwynedd CAB. She is currently unemployed and not seeking full time employment, but holds a portfolio of voluntary and charitable positions.

Paul Edward Loveluck *Cardiff*

Currently the Chief Executive of the Countryside Council for Wales, Mr Loveluck was previously Chief Executive of the Wales Tourist Board between 1984 and 1996.

Cedric Milner *Anglesey*

Now a consultant, Professor Milner is an ecologist and retired professor of the School of Biological Sciences, at Bangor University. He is also Chairman of the Snowdonia Society, and a member of the Council for National Parks.

Margaret Minhinnick *Porthcawl*

A former teacher and one of the founder members of and former chief spokesperson for Friends of the Earth Cymru, Mrs Minhinnick is currently a director of Sustainable Wales. She has regularly appeared on TV and spoken in public on environmental matters.

Patrick Brendan Moriarty *Monmouth*

Now a vice chairman of Gwent Health Authority and fund raising consultant, Mr Moriarty was a non-executive director of Welsh Water between 1996 and 2001, prior to which he was a Member of the Customer Services Committee for Wales. He previously owned his own house-building company in Monmouthshire.

David Owen *Llandudno*

A retired Chief Constable of North Wales Police, Mr Owen (CBE, QPM) is a member of Conwy West CHC and served as chairman of the Merseyside and North Wales Electricity Consumers Committee between 1995-2000.

David Aidan Lloyd Owen *Llangoedmor*

A former City analyst, Dr Owen is Research Director of Delphi International. He has published a number of books and papers on environmental and water-related matters, including an article published in the Financial Times in support of Glas Cymru's objectives. He is also a Councillor for Cardigan Town Council and a Member of the Teifi Estuary Environmental Management Initiative.

John Wyn Owen *Cowbridge*

Currently Secretary of the Nuffield Trust (research and policy studies in health services); Mr Owen is a member of the Council of the University of Wales College of Medicine. Between 1984 and 1994 he was chairman of Welsh Health Common Services Authority.

Angela Pulman *Merthyr Tydfil*

Currently Chief Executive of Community Enterprise Wales, Ms Pulman has held a number of roles related to social and economic regeneration projects. She is also a former economic research, PR & marketing consultant in the public/local government sector.

Linda Janice Rees *Port Talbot*

A retired engineering draughtsman, Mrs Rees has been a JP since 1981. In 1997 she was injured in the Southall Train Crash and in 1999 she became a spokesperson for those injured in this incident from South Wales.

Bryan Riddleston *Abergavenny*

An ex-director of British Coal Opencast and CEO of Celtic Energy PLC, Mr Riddleston is a Management Accountant with extensive experience of issues related to privatised businesses. A former member of CBI (Wales) Council, he is currently a JP and a member of CCW Council. He is also a member of the Advisory Committee reporting to government on the activities of the Environment Agency in Wales.

(Henry) Clive Scourfield *Llanelli*

A County Councillor and Cabinet Councillor for Social Services with Carmarthenshire CC, Mr Scourfield was for over 20 years a licensed publican, having previously been a policeman. He is also a former director of Tomas Watkins Ltd (Brewers).

David John Such *Chepstow*

A electrical engineer of 30 years experience in the UK and overseas, Mr Such is a director of Such Salinger Peters (Consulting Engineers). He is a recreational diver, who frequently dives in Welsh waters.

Denis Stanley Taylor *Newport*

Mr Taylor recently retired as Head of Economic Regulation for Welsh Water after 26 years with the company, mainly working in financial and tariff management.

Mary Taylor *Crickhowell*

A former Health Care Professional and ex Powys County Council Councillor, Mrs Taylor is currently a member of Brecon Beacons National Park Authority. She has also previously campaigned on disability rights issues in Wales. Chair of Marie Curie Support Group and Trustee of Volunteer Bureaux Crickhowell. She is very active in promoting and encouraging woman to take a greater part in public life.

(David) Hugh Thomas *Bridgend*

Currently chairman of Iechyd Morgannwg Health Authority, Mr Thomas served as a non-executive director of Welsh Water between 1996 and 2001. He retired in 1995 after 41 years in local government, latterly as Chief Executive/County Clerk of Mid Glamorgan, and in 1999 he was President of the Royal Welsh Agricultural Society.

Huw Vaughan Thomas *Glan Conwy*

Recently retired as Chief Executive of Denbighshire County Council after a career in central and local government, including a period as the Department of Employment's Director for Wales, Mr Thomas currently serves on the Higher Education Funding Council for Wales. He has a hearing disability and his business and voluntary interests include Chairing RNID's Advisory Group for Wales, member of the Hearing Aid Council, and the Prince's Trust Council for Wales.

(John) Malcolm Thomas *Carmarthen*

A director of NFU-Cymru, Mr Thomas has extensive knowledge of farming and rural community businesses. Mr Thomas was formerly head of the agricultural policy division of the Welsh Office and holds a range of voluntary/charitable positions with an emphasis on the rural economy and education.

Raymond Thomas *Merthyr Tydfil*

Currently a Councillor and Leader of Merthyr Tydfil CBC, and Chair of South Wales Police Authority, Mr Thomas is a former Welsh Water employee with 26 years experience with the company, including in areas of customer service.

(William John) Stuart Thomas *Hereford*

A self-employed agronomist, Mr Thomas is a Councillor with Hereford County Council and chairman of the Wye Local Flood Defence Committee.

Guy Matthew Gareth Walker *Builth Wells*

A self-employed building contractor, Mr Walker was previously a member of the Electricity Consumers Committee for South Wales between 1997-2001.