



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: TO/LGRRS/05876/26

[REDACTED]
[REDACTED]

11 September 2026

Dear [REDACTED]

Thank you for your correspondence of 26 August to the Cabinet Minister for Rural Resilience and Sustainability regarding the appointment of Sir James Bevan to the Board of Dŵr Cymru. The Welsh Government's Water Branch has been asked to respond.

Dŵr Cymru is an independent company regulated by Ofwat, the independent economic regulator of the water industry. The company is responsible for making its own staff and Board appointments. Good governance, transparency and the management of potential conflicts of interest are fundamental principles which all organisations operating in the public interest should uphold. The Welsh Government is unable to intervene in these appointments and it would not be appropriate to comment on them. For further information on Dŵr Cymru Welsh Water's Board and governance arrangements, please see the Glas Cymru Annual Report and Accounts 2025-26. <https://corporate.dwrcymru.com/en/library/group-annual-report-and-accounts>.

Governance arrangements within the water industry are primarily a matter for Ofwat as the independent economic regulator. The Water (Special Measures) Act 2025 introduced new powers enabling Ofwat to make rules relating to water company governance and senior executive remuneration, including requirements on fitness and propriety.

Water companies should comply with Ofwat's Fitness and Propriety Rule. This requires the company to assess individuals appointed in senior roles, such as Chief Executives and Directors at both Executive and non-Executive Board level. <https://www.ofwat.gov.uk/publication/fitness-and-propriety-rule-guidance/>

Between 2025 and 2030, water companies in Wales will be investing £1.1 billion to tackle combined sewer overflows (CSOs) to reduce the frequency and impact of spills, improve treatment capacity, reduce surface water entering sewers, and deliver sustainable drainage solutions that reduce pressure on the network. Any permitted discharges are subject to a

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

regulatory framework and Natural Resources Wales as the environmental regulator and Ofwat work together to regulate these activities and take enforcement action.

The Welsh Government is committed to reducing pollution in Welsh rivers, lakes and coastal waters and improving transparency and accountability across the sector. The Cabinet Minister for Rural Resilience and Sustainability has made clear to the water companies and the regulators, Ofwat and Natural Resources Wales, that water companies must meet their legal and environmental obligations and sustained performance improvement, stronger accountability and transparent progress are expected.

Yours sincerely,

Water Policy Branch
Climate Change and Rural Affairs Group
Welsh Government